

A meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29** on **THURSDAY, 4 JUNE 2015** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact  
(01480)**

## **APOLOGIES**

### **1. MINUTES (Pages 1 - 6)**

To approve as a correct record the Minutes of the meeting of the Panels held on 9<sup>th</sup> April 2015 and 20<sup>th</sup> May 2015.

**L Berridge  
388026**

**2 sets of minutes**

### **2. DECLARATIONS OF INTEREST**

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda item.

### **3. NOTICE OF KEY EXECUTIVE DECISIONS (Pages 7 - 10)**

A copy of the current Notice of Key Executive Decisions, which was published on 20 May 201, is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**Democratic Services  
388015**

### **4. ECONOMIC GROWTH PLAN REVIEW (Pages 11 - 24)**

To consider a report on the Economic Growth Plan Review, presented by the Economic Development Manager.

**S Bedlow  
388235**

### **5. PROGRAMMES AND PROJECTS, INCLUDING FACING THE FUTURE (Pages 25 - 34)**

To consider a report on Programmes and Projects, including Facing the Future, presented by the Programme and Project Manager.

**L Lock  
388086**

### **6. CORPORATE PLAN PERFORMANCE MONITORING (QUARTER 4) (Pages 35 - 50)**

To consider a report on Corporate Plan Performance Monitoring, presented by the Corporate Team Manager.

**A Dobbyne  
388100**

### **7. PROVISIONAL OUTTURN 2014/15 (Pages 51 - 68)**

To consider a report by the Head of Resources on Provisional Outturn for 2014/2015.

**C Mason  
388157**

**8. TREASURY MANAGEMENT STRATEGY 2014/15 OUTTURN REPORT** (Pages 69 - 82)

To consider a report by the Head of Resources on the Treasury Management Strategy 2014/2015 Outturn Report.

**C Mason  
388157**

**9. DISPOSAL AND ACQUISITIONS POLICY** (Pages 83 - 96)

To consider a report presented by the Head of Resources on the Disposal and Acquisitions Policy.

**C Mason  
388157**

**10. WORKPLAN STUDIES** (Pages 97 - 98)

To consider the work programmes of the Social and Environmental Well-Being Overview and Scrutiny Panels.

**L Berridge  
388026**

**11. OVERVIEW AND SCRUTINY PROGRESS** (Pages 99 - 102)

To consider a report on the Panel's activities.

**L Berridge  
388026**

**12. SCRUTINY** (Pages 103 - 110)

To scrutinise decisions taken since the last meeting as set out in the Decision Digest and to raise any other matters for scrutiny that sit within the remit of the Panel.

**Democratic Services  
388015**

Dated this 27 day of May 2015



Head of Paid Service

**Notes**

**1. Disclosable Pecuniary Interests**

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it -*

*(a) relates to you, or*

*(b) is an interest of -*

*(i) your spouse or civil partner; or*

*(ii) a person with whom you are living as husband and wife; or*

*(iii) a person with whom you are living as if you were civil partners*

*and you are aware that the other person has the interest.*

(3) *Disclosable pecuniary interests includes -*

*(a) any employment or profession carried out for profit or gain;*

*(b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);*

*(c) any current contracts with the Council;*

*(d) any beneficial interest in land/property within the Council's area;*

- (e) any licence for a month or longer to occupy land in the Council's area;
- (f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or
- (g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

### **Non-Statutory Disclosable Interests**

- (4) If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.
- (5) A Member has a non-statutory disclosable interest where -
  - (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
  - (b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or
  - (c) it relates to or is likely to affect any body –
    - (i) exercising functions of a public nature; or
    - (ii) directed to charitable purposes; or
    - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

## **2. Filming, Photography and Recording at Council Meetings**

The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and available via the following link [filming, photography and recording at council meetings.pdf](#) or on request from the Democratic Services Team. The Council understands that some members of the public attending its meetings may not wish to be filmed. The Chairman of the meeting will facilitate this preference by ensuring that any such request not to be recorded is respected.

**Please contact Ms Lucie Berridge, Scrutiny Officer, Tel No. 01480 388026/e-mail [Lucie.Berridge@huntingdonshire.gov.uk](mailto:Lucie.Berridge@huntingdonshire.gov.uk) if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.**

**Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.**

**Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.**

Agenda and enclosures can be viewed on the District Council's website – [www.huntingdonshire.gov.uk](http://www.huntingdonshire.gov.uk) (under Councils and Democracy).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Elections & Democratic Services Manager and we will try to accommodate your needs.

***Emergency Procedure***

*In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.*

## HUNTINGDONSHIRE DISTRICT COUNCIL

**MINUTES** of the meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** held in **Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29** on **Thursday, 9 April 2015.**

PRESENT: Councillor R Harrison – Chairman.

Councillors P L E Bucknell, G J Bull,  
E R Butler, Mrs A Dickinson, I D Gardener,  
D Harty, T Hayward, B Hyland, P G Mitchell,  
P D Reeve and M F Shellens.

APOLOGY(IES): None

IN ATTENDANCE: Mr W Grimsey, Councillors J B Ablewhite, R  
C Carter, A D Curtis, T D Sanderson.

### 98. MINUTES

The minutes of the meeting of the Panel held on 5 March 2015 were approved as a correct record and signed by the Chairman.

### 99. DECLARATIONS OF INTERESTS

No declarations of interest were received.

### 100. NOTICE OF KEY EXECUTIVE DECISIONS

The panel considered and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book).

#### **PREPARING TOWN CENTRES AND HIGH STREETS FOR THE 21ST CENTURY**

The panel received a presentation from M W Grimsey on the subject of "Preparing Town Centres and High Streets for the 21<sup>st</sup> Century" (a copy of which is appended in the Minute Book).

Mr Grimsey explained that his presentation was provocative and challenging but he could not offer a 'silver bullet' to solve the problems facing high streets nationally. His presentation was generic rather than focussed on Huntingdonshire but set out the trends he was expecting to see in relation to the retail sector and also the wider economy.

With less need for retailers in town centres, Mr Grimsey suggested that towns should consider other ways of attracting people in. This could be through offering a 'unique selling point' (e.g. history and heritage) or through developing the towns as a 'community hub', with more residential property and health and education services provided in the centre.

Questions were taken from several members. Mr Grimsey was unable to give answers specific to Huntingdonshire or our local towns and villages but encouraged each place to think about their area and consider having their own plans to provide an offer that would bring people in.

Members thanked Mr W Grimsey for his interesting presentation. It was agreed that Mr W Grimsey's contact details would be made available to members of the Panel meeting

## **102. CAPITAL PROGRAMME 2015/16**

Consideration was given to a report by the Head of Operations (a copy of which is appended in the Minute book) on the proposed 2015/16 capital programme.

Members expressed interest in seeing more detail on the proposed capital scoring system which the Finance Governance Board had used to assess the proposals, details of which will be provided via email. The Head of Resources confirmed that this scoring system was based on methodology from CIPFA.

Some queries relating to the impact of capital spending decisions on towns and parishes were raised. It was stated that moves to standardise play equipment purchased would not reduce the amount of equipment provided for our communities. With regards to wireless CCTV, this was not recommended for approval due to the business case showing spend would not result in sufficient savings. However, work to reduce costs of the service through commercialisation is not just an aspiration and we are currently working towards this.

RESOLVED

that the Cabinet be recommended to approve the Capital Programme attached at Appendix 2.

## **103. PROJECT MANAGEMENT SELECT COMMITTEE**

The Panel received and noted a report (a copy of which is appended in the Minute Book) on the findings and recommendations of the Project Management Select Committee, which will be submitted to Cabinet 23 April 2015. It was agreed that the report reflects the actions and conclusions from the session held on 17<sup>th</sup> February 2015.

RESOLVED

that the Cabinet be recommended to approve the recommendations contained in the report now submitted.

## **104. WORKPLAN STUDIES**

Consideration was given to a report on the work programmes of the Social and Environmental Well-Being Overview and Scrutiny Panels.

A volunteer was requested to be co-opted on to the Affordable

Housing Working group led by the Social Well-Being Panel. Councillor P L E Bucknell was appointed to this group.

#### **105. OVERVIEW AND SCRUTINY PROGRESS**

The Panel received and noted a report (a copy of which is appended in the Minute Book) outlining the progress that has been made on matters which had previously been discussed.

Following the presentation from Mr W Grimsey earlier, it was noted that Councillor Sanderson would be attending the next meeting to give an update on the Economic Growth Plan.

Councillor P G Mitchell was thanked for his work on the Great Fen Project and other work during his time as a District Councillor and was wished all the best on his retirement. It was agreed that the Great Fen Project would now be overlooked by the Environmental Panel.

Following the receipt of a report from Councillor Hayward on behalf of the Budget Working Group, it was agreed that this item would be removed from the Work Plan however a similar approach may be followed in future years.

It was requested that reports on Facing the Future and Zero Based Budgeting be submitted in June 2015.

#### **106. SCRUTINY**

The Panel received the latest edition of the Decision Digest (a copy of which is appended in the Minute Book).

Chairman

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## HUNTINGDONSHIRE DISTRICT COUNCIL

**MINUTES** of the meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, HUNTINGDON** on **Wednesday, 20 May 2015**.

**PRESENT:** Councillor G J Bull – Chairman.

Councillors T D Alban, P L E Bucknell,  
E R Butler, Mrs A D Curtis, R S Farrer,  
L George, D Harty, J M Palmer and  
J E White.

**APOLOGIES:** Apologies for absence from the meeting were submitted on behalf of Councillors B Hyland and M F Shellens.

### **107. ELECTION OF CHAIRMAN**

RESOLVED

that Councillor G J Bull be elected Chairman of the Panel for the ensuing Municipal Year.

**Councillor G Bull in the Chair.**

### **108. MEMBERS' INTERESTS**

No declarations were received.

### **109. APPOINTMENT OF VICE-CHAIRMAN**

RESOLVED

that Councillor D Harty be appointed Vice-Chairman of the Panel for the ensuing Municipal Year.

Chairman

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**NOTICE OF KEY EXECUTIVE DECISIONS INCLUDING THOSE TO BE CONSIDERED IN PRIVATE**

**Prepared by** Councillor J D Ablewhite  
**Date of Publication:** 20 May 2015  
**For Period:** 1 June 2015 to 30 September 2015

Membership of the Cabinet is as follows:-

Councillor J D Ablewhite	- Executive Leader of the Council	3 Pettis Road St. Ives Huntingdon PE27 6SR Tel: 01480 466941 E-mail: <a href="mailto:Jason.Ablewhite@huntingdonshire.gov.uk">Jason.Ablewhite@huntingdonshire.gov.uk</a>
Councillor R C Carter	- Executive Councillor for Operations & Environment	5 The Paddock Bluntisham Huntingdon PE28 3NR Tel: 07986 325637 E-mail: <a href="mailto:Robin.Carter@huntingdonshire.gov.uk">Robin.Carter@huntingdonshire.gov.uk</a>
Councillor S Cawley	- Executive Councillor for Organisational Change & Development	6 Levers Water Huntingdon PE29 6TH Tel: 01480 435188 E-mail: <a href="mailto:Stephen.Cawley@huntingdonshire.gov.uk">Stephen.Cawley@huntingdonshire.gov.uk</a>
Councillor D B Dew	- Executive Councillor for Strategic Planning & Housing	4 Weir Road Hemingford Grey Huntingdon PE28 9EH Tel: 01480 469814 E-mail: <a href="mailto:Douglas.Dew@huntingdonshire.gov.uk">Douglas.Dew@huntingdonshire.gov.uk</a>
Councillor J A Gray	- Executive Councillor for Resources	Vine Cottage 2 Station Row Catworth Huntingdon PE28 0PE Tel: 01480 861941 E-mail: <a href="mailto:Jonathan.Gray@huntingdonshire.gov.uk">Jonathan.Gray@huntingdonshire.gov.uk</a>

<p>Councillor R Harrison</p> <p>- Executive Councillor for Strategic Economic Development &amp; Legal</p>	<p>55 Bushmead Road Eaton Socon St Neots PE19 8GC</p> <p>Tel: 01480 406664      Email: <a href="mailto:Roger.Harrison@huntingdonshire.gov.uk">Roger.Harrison@huntingdonshire.gov.uk</a></p>
<p>Councillor R Howe</p> <p>- Deputy Executive Leader of the Council with responsibility for Commercial Activities</p>	<p>The Old Barn High Street Upwood Huntingdon PE26 2QE</p> <p>Tel: 01487 814393      E-mail: <a href="mailto:Robin.Howe@huntingdonshire.gov.uk">Robin.Howe@huntingdonshire.gov.uk</a></p>
<p>Councillor D M Tysoe</p> <p>- Executive Councillor for Customer Services</p>	<p>Grove Cottage Maltings Lane Ellington Huntingdon PE28 0AA</p> <p>Tel: 01480 388310      E-mail: <a href="mailto:Darren.Tysoe@huntingdonshire.gov.uk">Darren.Tysoe@huntingdonshire.gov.uk</a></p>

Notice is hereby given of:

- Key decisions that will be taken by the Cabinet (or other decision maker)
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part).

A notice/agenda together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restrictions on their disclosure, copies may be requested by contacting the Democratic Services Team on 01480 388169 or E-mail [Democratic.Services@huntingdonshire.gov.uk](mailto:Democratic.Services@huntingdonshire.gov.uk). Agendas may be accessed electronically at [www.huntingdonshire.gov.uk](http://www.huntingdonshire.gov.uk).

Formal notice is hereby given under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that, where indicated part of the meetings listed in this notice will be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See the relevant paragraphs below.

Any person who wishes to make representations to the decision maker about a decision which is to be made or wishes to object to an item being considered in private may do so by emailing [Democratic.Services@huntingdonshire.gov.uk](mailto:Democratic.Services@huntingdonshire.gov.uk) or by contacting the Democratic Services Team. If representations are received at least eight working days before the date of the meeting, they will be published with the agenda together with a statement of the District Council's response. Any representations received after this time will be verbally reported and considered at the meeting.

**Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) (Reason for the report to be considered in private)**

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the Financial and Business Affairs of any particular person (including the Authority holding that information)
4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations that are arising between the Authority or a Minister of the Crown and employees of or office holders under the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the Authority proposes:-
  - (a) To give under any announcement a notice under or by virtue of which requirements are imposed on a person; or
  - (b) To make an Order or Direction under any enactment

7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Huntingdonshire District Council  
 Pathfinder House  
 St Mary's Street  
 Huntingdon PE29 3TN.

Notes:- (i) Additions changes from the previous Forward Plan are annotated \*\*\*

(ii) Part II confidential items which will be considered in private are annotated ## and shown in italic.

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Customer Services Strategy	Cabinet	18 Jun 2015		John Taylor, Head of Customer Services Tel No. 01480 388119 or email John.Taylor@huntingdonshire.gov.uk		D Tysoe	Economic (Well-Being)
9 A14 Joint Local Impact Report, Statement of Common Ground and Environmental Impact Assessment Matters	Cabinet	18 Jun 2015	Environmental Impact Assessment	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email Paul.Bland@huntingdonshire.gov.uk		D B Dew	Environmental Well-Being
Acquisitions and Disposal Policy	Cabinet	18 Jun 2015		Clive Mason, Head of Resources Tel No. 01480 388157 or email Clive.Mason@huntingdonshire.gov.uk		J A Gray	Economic Well-Being
Community Chest Grant Aid Awards 2015/16	Grants	Jun 2015 (date tbc)		Dan Smith, Community Health Manager Tel No. 01480 388377 or email Dan.Smith@huntingdonshire.gov.uk		J A Gray R Harrison	Social Well-Being
Commercial Investment Strategy	Cabinet	16 Jul 2015		Colin Luscombe, Estates Strategic Assessment Tel No. 01480 387086 or email Colin.Luscombe@huntingdonshire.gov.uk		J A Gray	Economic Well-Being

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Draft Huntingdonshire Design Guide Supplementary Planning Document****	Cabinet	16 Jul 2015	Draft Supplementary Planning Document	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email Paul.Bland@huntingdonshire.gov.uk		D B Dew	Environmental Well-Being
Benefits Risk Based Verification Policy *** ##	Cabinet	16 Jul 2015		Amanda Burns, Benefits Manager, Benefits Manager Tel No. (01480) 388122 or email: Amanda.Burns@huntingdonshire.gov.uk	Paragraph 7	D B Dew	Social Well-Being
Shared Services - Legal/I. T/Building Control ***	Cabinet	16 Jul 2015		Mrs Joanne Lancaster, Managing Director Tel No. (01480) 388001 or email Jo.Lancaster@huntingdonshire.gov.uk		S Cawley	Economic Well-Being
Marketing Strategy & Branding for Huntingdonshire	Cabinet	16 Jul 2015		Sue Bedlow, Economic Development Manager Tel No. 01480 317096 or email Sue.Bedlow@huntingdonshire.gov.uk		R Harrison	Economic Well-Being
Home Improvement Agency - Annual Report	Cabinet	16 Jul 2015		Trish Reed, Housing Strategy Manager Tel No. 01480 388203 or email Trish.Reed@huntingdonshire.gov.uk		D B Dew	Social Well-Being
Housing Register Lettings Policy Amendment	Cabinet	16 Jul 2015		Jon Collen, Housing Needs and Resources Manager Tel No. 01480 388220 or email Jon.Collen@huntingdonshire.gov.uk		D Tysoe	Social Well-Being

**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Review of Huntingdonshire's Economic Growth Plan 2013-2023
<b>Meeting/Date:</b>	O&S Economic well-being – 4 <sup>th</sup> June
<b>Executive Portfolio:</b>	Strategic Economic Development and Legal, Cllr Roger Harrison
<b>Report by:</b>	Economic Development Manager, Sue Bedlow
<b>Ward(s) affected:</b>	All

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### **Executive Summary:**

Delivery of the HEGP is on track both in terms of the contextual indicators against which we undertook to report and in terms of progress against the short and medium term actions within the delivery plan. An extra-ordinary amount (in excess of £5m) of external funding has thus far been secured for the delivery of the HEGP objectives in addition to which more than half a million pounds for the pursuit of the council's own corporate strategic and structural development has been raised.

The only short-term measures that have not been progressed have interdependencies on the development of the marketing strategy for the district, a project which was placed on hold pending potential change over wider geographies but which is now well underway.

In addition to short-term actions, where opportunities have arisen to progress medium term delivery actions, these have been seized and may potentially lead to some exciting projects with significant impact on the economic development of the district, establishing links indirectly with Cambridge University and establishing a role for the Alconbury EZ in the development of the greater Cambridge phenomenon.

The proposed focus for service delivery for the next 12-24 months will be to:

- progress the delivery of EDGE – sharper skills for enterprise, including skills gap closure activity
- progress the development and implementation of the marketing strategy
- to support the successful delivery of the Alconbury Enterprise Campus
- deliver business start-up support and support for existing and growth enterprises through themed information events

### **Recommendation(s):**

As such it is recommended that the panel notes the progress made thus far against the HEGP and endorses the focus of the delivery of HEGP within the resources currently allocated/budgeted for the next 12-24 months.

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## 1. WHAT IS THIS REPORT ABOUT/PURPOSE?

1.1 The purpose of the report is:

- to consider progress thus far against the Huntingdonshire Economic Growth Plan 2013-23 (HEGP)
- to determine Economic Development service priorities for the next 12-24 months

## 2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 In July 2013 the Cabinet approved the HEGP and its short, medium and longer term deliver plan. At that time it was agreed that as part of the measuring the success of the HEGP a biennially review would be conducted to include the statistical context and progress towards delivery of the 10 year action plan. The HEGP is available from our website here:

[www.huntingdonshire.gov.uk/SiteCollectionDocuments/HDCCMS/Documents/Business%20and%20Economic%20Development%20Documents/Economic%20Growth%20Plan%202013-2023.pdf](http://www.huntingdonshire.gov.uk/SiteCollectionDocuments/HDCCMS/Documents/Business%20and%20Economic%20Development%20Documents/Economic%20Growth%20Plan%202013-2023.pdf)

2.2 Since the approval of the HEGP it should first be noted that there have been some areas of change and potential change to the economic development landscape which have impacted on progress with the plan. These relate to: the Cambridgeshire Public Sector Board review of economic development and related services delivery across the County geography; HDC's strategic partnership with South Cambs DC; developing roles and responsibilities of the Local Enterprise Partnership (LEP) within the economic development field; and reduced resource within the economic development team.

2.3 Together these circumstances led to the senior management decision to hold any significant expenditure of resource on the development of a marketing campaign for the promotion of the district as this would be a longer term project which may need to be done together with partners across a wider geography. This hold has now been lifted and work is underway on the development of a marketing strategy, branding and promotional materials to attract high skilled workers and inward investment to Huntingdonshire.

2.4 Another consideration is the allocation of an additional responsibility to the team: the application for Transformation Challenge Funding from DCLG. The application was successful and HDC received £529,090 for the development of its strategic partnership with South Cambs and Cambridge City councils. Work on the application and the initial administration following the granting of funds took place between April 2014 and January 2015.

2.5 Against the backdrop of the aforementioned changes the council has reiterated in its refreshed Corporate Plan for 2014-16 that delivering a strong local economy and sustainable growth within the district is still a top priority. Economic Development has always involved partnership working both with other councils, other public agencies and the private sector. This will continue to be the case and through this partnership work we are always looking for opportunities to delivery services differently and more efficiently. One notable example of this has recently been achieved with regard to closing the local skills gap through the formatting of EDGE – sharper skills for enterprise (further details of which are in Appendix 1, section 1.2).

### 3. ANALYSIS

#### 3.1 The contextual statistic indicators for the HEGP

These include per capita Gross Value Added (GVA) growth – an indicator of economic scale, output and activity – and a basket of quality of life indicators – for which the Halifax quality of life survey is referenced.

##### 3.1.1 GVA data - taken from the latest data available (in this case the Autumn 2014 baseline forecasts) from the East of England Forecasting model. As such these still contain a significant element of forecast rather than actual data.

GVA figures for the district for the period from 2012 are represented in the table below. Total GVA for the district and GVA per capita both demonstrate steady increases. However, labour productivity (GVA per job) fell slightly in 2013. The District data shows a significant increase in employment this same year, some 2,700 more in employment or self-employment but this fall in productivity would indicate that these are predominantly lower value jobs. 2014 shows a similar increase in employment (of 2,500) but a small increase in productivity.

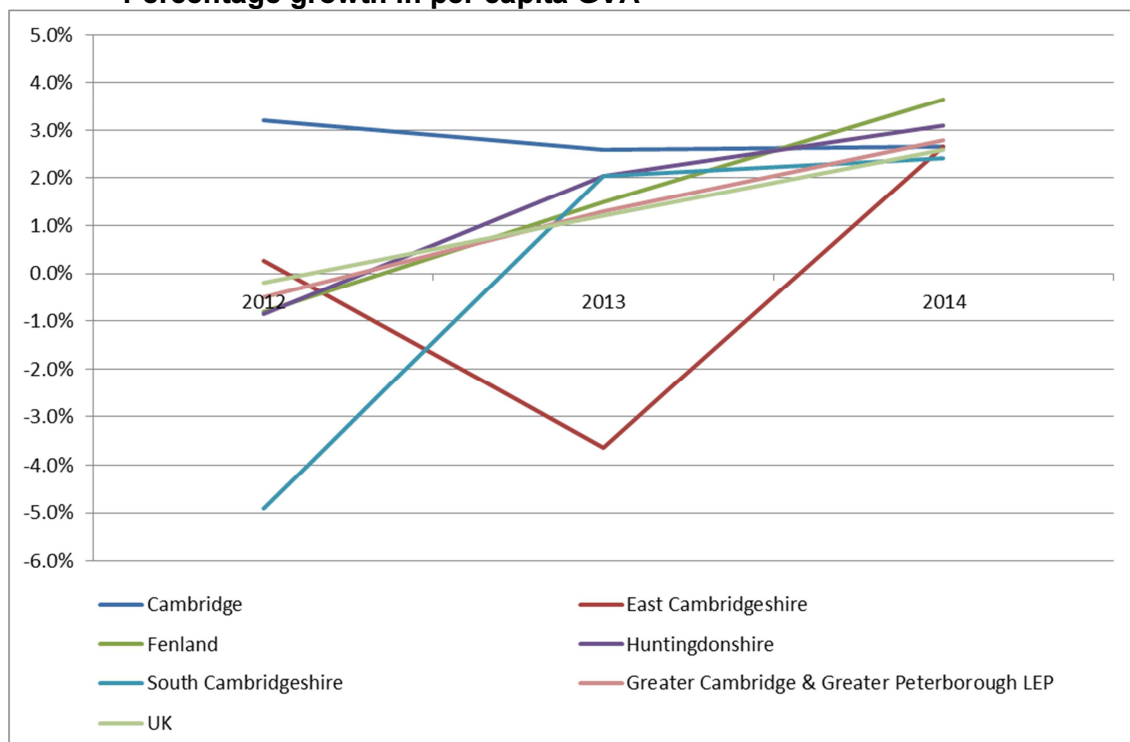
	2012	2013	2014
Total GVA (millions £s, 2010 prices)	3356	3445	3579

Labour productivity (000s £s, 2010 prices)	41.2	40.9	41.3
GVA per capita (000s £s, 2010 prices)	19.8	20.0	20.6

Source: East of England Forecasting model (Autumn 2014 baseline)

The graph below demonstrates Huntingdonshire's per capita GVA growth rate as compared with local, LEP-wide and national rates.

#### Percentage growth in per capita GVA



Source: East of England Forecasting model (note: lower absolute levels of GVA per capita tend to result in more volatile growth rates)

The graph indicates that Huntingdonshire's per capita GVA growth was slightly below the LEP and national average in 2012 but has outperformed these two and all other local comparators except Fenland in 2014.

### 3.1.2 The Halifax Quality of Life Survey

The Halifax publishes two quality of life survey results each year: one for all areas and one for rural areas. Huntingdonshire's ranking in these for the last 3-4 years is captured below.

	2012	2013	2014	2015
All areas (out of 405)	55th	90th	18th	Due Dec 2015
Rural areas (out of 121)	24th	30th	44th	9th

The significant improvement in the district's ranking recently is attributable to improved performance in terms of percentage employment, access to broadband, personal well-being factors (life satisfaction, worthwhile, happiness, anxiety) and climate.

### 3.2 Progress towards delivery of the plan

The HEGP includes a short, medium and longer-term outline delivery plan. This is replicated below with those actions on which progress has been made shown in bold and italics. Further commentary on each of the short-term actions and others progressing on track is contained within Appendix 1 to this report.

	People	Place	Business
<b>Short Term Delivery Actions</b>	<i>District wide approach to careers advice and apprenticeships</i>	<i>High value sectors</i>	<i>Links with Cambridgeshire Chamber of Commerce</i>
	<i>Enterprise Strategy – young people</i>	Developer's Forum	<i>Dragons Den competition</i>
	<i>Marketing programme to attract high skilled workers</i>	Huntingdonshire Investment Portfolio	<i>Improve relationship between the Council and business</i>
	<i>Promote study of science, technology, engineering and mathematic (STEM) subjects</i>	Internationalisation programme	<i>Link schools with employers</i>
		<i>Delivery of strategic development, including Alconbury Enterprise Campus, Huntingdon West, St Neots and key service centres.</i>	

<b>Medium Term Delivery Actions</b>	<b>Local Area Initiative</b>	<b>Small and Medium sized Enterprise (SME) business accommodation</b>	High growth SME programme
	<b>Community Organising</b>	<b>Links with Cambridge University</b>	Supply Chain Strategy
	<b>Visitor Economy Strategy</b>	Delivery of strategic development, including Alconbury Enterprise Campus, Huntingdon West, St Neots and key service centres.	Business mentoring / coaching
	University capability		<b>Innovation and R&amp;D in manufacturing</b>
<b>Longer Term Delivery Actions</b>	Community Budgeting in areas of high need	<b>Critical infrastructure</b>	Huntingdonshire Alumni Network
		Housing targets, with additional demand from Alconbury Weald Enterprise Campus	
		Delivery of strategic development, including Alconbury Enterprise Campus, Huntingdon West, St Neots and key service centres.	

#### **4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?**

- 4.1 Each project described above carries a unique balance of impact and risk and going forward these will be addressed through the new reporting procedures either within the development of service planning templates or through the project management reporting procedures.

#### **5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 5.1 With the exception of the internationalisation programme, many of the activities indicated above (and described further in Appendix 1) will involve elements of continuation, development or follow up during the next 12-24 month period. The focus for the service plan delivery is proposed to continue to be along the lines of the three themes from the strategy document:

- people – create a flexible and resilient work force
- place – make Huntingdonshire a location of choice
- business – foster a culture of enterprise

- 5.2 People – create a flexible and resilient work force

It is proposed that we continue to lead partnership delivery of EDGE – ‘sharper skills for enterprise’, a partnership project which provides a one-stop shop service to simplify, facilitate and improve the match of skills supply to business demand not only on the EZ but across the district. This initiative in one vehicle/structure contributes to or links with a number of HEGP priorities:

promotion of STEM subjects; providing links between schools and employers; connecting with the Grassroots programme; connecting to the Dragon's Den competition; and, most importantly the district wide approach to careers advice. The later will be achieved predominantly through the careers advice events that will be organised through EDGE and the coordination with the schools.

- 5.2.1 Despite the recent dissolution of HASP (Huntingdonshire Academy Schools Partnership), close relationships with the schools individually will be built upon to continue their participation in EDGE. It is unlikely though that HDC will be able to continue to receive secondment income from this activity in the short-term.
- 5.2.2 EDGE was the vehicle through which partners contributed funding for research work from the Institute for Manufacturing (IfM) which, in the short term, will inform the skills and training delivered at the Technical Vocational Centre on the EZ. EDGE will also provide the vehicle for ensuring delivery is based on the evidence of need. We will lead on the follow up of potential for further collaboration with the IfM itself and potential links with the National College for Advanced Manufacturing. In the longer-term other follow up activities emanating from this work are more relevant to 'business' 5.4 below.
- 5.3 Place – make Huntingdonshire a location of choice
  - 5.3.1 The most significant activity in the short-term should be the development, approval and implementation of the marketing strategy. This will include development of a brand and marketing materials, a make-over of the Huntingdonshire4business website, a launch event for promotion of the brand and associated web-site and then the start of implementation with use of the materials at for example, business to business events, and business information events (our own and in partnership).
  - 5.3.2 Having the appropriate infrastructure in place to support growth is critical to our ability to promote the district and to this end it is proposed that we continue to both support the Connecting Cambridgeshire broadband project and continue our work in partnership with our LEP to support their Growth Deal applications and other funding initiatives relevant to longer-term Economic Development activities (national policy directives, EU funding).
  - 5.3.3 Monitoring of the footfall in our four market town centres is proposed to be continued as this data gives us a good contextual indicator for how the vibrancy of our town centres is fairing compared to the national picture. This will support marketing of the district as well as inform policy direction in the future.
- 5.4 Business – foster a culture of enterprise
  - 5.4.1 Work to support the successful delivery of Alconbury Enterprise Campus is proposed to continue as this will build the profile of the district within the Greater Cambridgeshire business community as a great place to invest. To this end, information will be gathered on options for the funding of an Industrial Venture Centre (IVC) on the Alconbury Campus including the potential use of the Building Foundations for Growth underspend (see Appendix 1, section 6) as match funding to pursue further EU funds.
  - 5.4.2 Delivery of the IVC would in the longer-term provide support for early stage ventures involved in R&D innovation in manufacturing and potentially develop

links with the University through the IfM. It would also build upon and be facilitated by shorter-term activities such as: continued work to support and development clusters of companies – such as in composite industries; the continued delivery of support for existing and growth enterprises through themed information events; and, the continuation of our business start-up support programme. With regards to the latter, which is currently outsourced, it is proposed that we explore the option of collaboration with South Cambs District Council with a view to issuing a combined tender for services at the end of the current contract in September. Initial discussions are promising and indicate that this should bring both a broader offer and better value for money.

- 5.4.3 It is proposed that we continue to promote HDC's support for the business community through sponsorship of the Business awards.

## **6 LINK TO THE CORPORATE PLAN**

- 6.1 The HEGP is directly linked to the Corporate Plan's Vision and delivery of the Strong Local Economy Theme and to a lesser extent to the Enabling sustainable growth theme.

## **7. CONSULTATION**

- 7.1 Has been conducted with the rest of the Economic development team, Head of Service, Corporate Director and Portfolio Holder.

## **8. RESOURCE IMPLICATIONS**

8. 1 The Economic Development service is currently undergoing the ZBB process to determine whether the service represents value for money and alternatives for service delivery or whether the service delivery should be curtailed.

The total revenue cost to the council for the service in FY 2014/15 was £203,304. Revenue costs for the current FY are budgeted at £214,167 plus a £9,250 carry forward from the previous year due to delays in receipt of contract deliverables. Funding secured directly by the service for the district's economic development objectives during the same financial year exceeded £5m. An additional £530k was secured for the development of the council's shared services and strategic partnerships.

## **9 REASONS FOR THE RECOMMENDED DECISION**

- 9.1 Despite a number of factors that have had a limiting impact on the resource available to the economic development team to deliver the actions identified in the HEGP delivery is still on track. An extra-ordinary amount (in excess of £5m) of external funding has thus far been secured for the delivery of the HEGP objectives in addition to which more than half a million pounds for the pursuit of the council's own corporate strategic and structural development has been raised.

The only short-term measures that have not been progressed have interdependencies on the development of the marketing strategy for the district, a project which is now well underway.

In addition to short-term actions, where opportunities have arisen to progress medium term delivery actions, these have been seized and may potentially lead to some exciting projects with significant impact on the economic

development of the district, establishing indirect links with Cambridge University and establishing a role for the Alconbury EZ in the development of the greater Cambridge phenomenon.

As such it is recommended the panel notes the progress made thus far against the HEGP and endorses the focus of the delivery of HEGP within the resources currently allocated/budgeted for the next 12-24 months.

## **BACKGROUND PAPERS**

## **CONTACT OFFICER**

Sue Bedlow – Economic Development Manager  
Tel No. 01480 387096

## APPENDIX 1 - COMMENTARY ON DELIVERY PLAN PROGRESS

### 1 District wide approach to careers advice and apprenticeships

1.1 For the last 18 months a 0.5 FTE member of the economic development team has been seconded to the Huntingdonshire Secondary Academies Partnership (HASP – a partnership of all the District’s secondary schools). Activities conducted include a full audit of the careers advice provided in the schools, co-ordination and simplification of work-experience administration, company/school visits, and organising schools’ participation in a number of events aimed to facilitate interaction with local businesses and raise awareness of local business skills needs (including STEM) and employment opportunities. The secondment arrangement will end in July due to the recent decision of HASP to disband. Endeavours will be made to continue relationships with each individual school in order to continue to support the school/business activities.

1.2 We assisted a LEP application for £100k funding from the Skills Funding Agency (SFA) to develop a skills strategy for the EZ. Being successful this brought together a local group of stakeholders which has itself evolved into a formal partnership which will operate as ‘EDGE sharper skills for enterprise’. The model is an innovative example of multiple public sector agencies coming together with the private sector and ‘re-wiring’ or pooling their resource in order to add value to delivery and improve customer facing service. Co-ordination of this group and the development of EDGE has been led by HDC staff and we received an income from the SFA funding pot to cover a 0.5 FTE up until December 2014.

### 2 Enterprise Strategy – young people

Funding and resource (board membership) is provided to support the delivery of a Young Enterprise (YE) Company programme across the district. This academic year the programme has involved 90 students in seven teams (each with their own real business adviser/mentor) from five of our secondary academy schools. The programme enables students to find out what it’s really like to set up and run a business. Delivered across an academic year, the young people make all the decisions about their company, from raising the initial share capital through to designing their product or service to selling directly to customers and ultimately winding up the company and paying their taxes. A student from St Peter’s school has this year won the County final level competition for YE Entrepreneur of the year and will go through to the Regional Final in this category.

(Also see 8 Lion’s Den competition below)

### 3 Marketing programme to attract high skilled workers

As mentioned in 2.3 of the main report, this action was on hold until March 2015. The development of a marketing strategy, branding and promotional materials to attract high skilled workers and inward investment to Huntingdonshire is now under way and due to come to this panel later this year.

### 4 Promote study of science, technology, engineering and mathematic (STEM) subjects

See 1.1 above regarding the promotion of STEM through school/business inter-facing events and school/company visits.



## 5 High value sectors

5.1 We have established a small cluster or group of local, high growth, composite materials companies and are supporting them in removing any barriers to their continued growth. Focus has initially been on recruitment and training issues and, working with local training providers, a bespoke apprenticeship cohort will start in September 2015. None of the companies individually could commit to sufficient apprentices to make the establishment of a viable cohort of possible. By bringing the companies together we have been able to make this happen.

Other collaborative activities around joint marketing and procurement are also being facilitated within the cluster. Collective marketing activities have the added advantage of helping to raise the profile of the district as a centre of excellence in this sector which in turn supports inward investment promotion.

5.2 Working in collaboration with the Institute for Manufacturing (IfM) (see section 15 & 16 below) we are both defining/refining those sectors of the manufacturing industry which our district should target. This is also raising our district profile through the IfM both with other manufacturing companies engaged with them and the University of Cambridge itself (engineering department particularly), the IfM being wholly owned by the University.

5.3 Other work has involved collaboration with other councils and the private sector to promote the wider Cambridgeshire region at an NEC exhibition relevant to advanced manufacturing. And we continue to work with UK Trade and Investment in terms of responding to enquiries that they receive that may be relevant to our district.

## 6 Delivery of strategic development, including Alconbury Enterprise Campus.

6.1 Much of the economic development work programme plays a contributory part towards this objective. The most significant has been an application for Building Foundations for Growth (BFG) grant funding of £5m from DCLG in 2014 for demolition and remediation works on the Alconbury Enterprise Campus. The business case for the application was based on the bringing forward of the delivery of the EZ by approximately 3 years.

6.2 The application was successful and our partner applicants, Urban&Civic have delivered the works and been the recipients of most (just over £3m) of the grant. The combination of an unanticipated underspend on eligible costs together with £500k (equating to land value uplift) which had to be deducted from eligible costs in order to comply with State Aid, leaves HDC, as the Accountable Body, in possession of just under £2m which, in accordance with DCLG's grant determination letter must be spent delivering growth priorities for the Enterprise Zone.

6.3 We are currently exploring the options for use of this capital funding including the possibility of using the money as matched funding for a further application for European Grant funding for the delivery of an Industrial Venture Centre (see 16 below).

## 7 Links with Cambridgeshire Chamber of Commerce

Officer and member resource is allocated to the Huntingdonshire Chambers of Commerce Committee meetings in order to facilitate cooperation and collaboration as appropriate. The council is represented at both the Huntingdonshire and Cambridgeshire Chambers of Commerce annual business to business fairs.

## 8 Lion's Den competition

Sponsorship is provided to Huntingdonshire Regional College who have agreed to run this competition as part of their week of activities promoting apprenticeships and employer engagement. The event includes a series of 'Dens' for participants to promote themselves and their ideas as well as receiving careers and product development advice from industry leaders.

## 9 Improve relationship between the Council and business

9.1 Huntingdonshire Business awards: event and award sponsorship is provided as the most effective way of demonstrating to the business community, particularly through the Leader's speech, the council's support for businesses.

9.2 A programme of themed business support events is organised with themes informed by the businesses themselves in their evaluation of the events. Themes for the last year have included funding opportunities, innovation and taxation, and financial management. Attendance is usually between 40 – 70 at each event and evaluation scores returned range from 75 -100% good or excellent.

9.3 Business start-up support: we currently fund Outset Huntingdonshire, a programme of one to one and specialist workshop support designed to equip residents with all they need to know about becoming self-employed. Over almost three years the programme has helped 50 people to start their own business, creating 67 new jobs in the local area. 50% of those who have participated in the programme were previously claiming benefits. A recent evaluation of the Outset programme nationally was conducted which concluded that a "very conservative" evaluation indicated that for every £1 invested, at least £3.36 of social, economic and financial value is created for Outset's clients, the State and the wider economy. This contract comes to an end in September 2015. We are currently in discussions with colleagues at South Cambs to explore opportunities for the issuing of a joint tender for business start-up and growth support in order to try to get further value for money.

9.4 Finally, a new fast track pre-planning enquiry service for new and growing businesses has been established. Pre-application advice will be dealt with in 2 weeks less than standard pre-application enquiries and a nominated planning case officer has been made responsible for this process.

## 10 Link schools with employers

See 1 and 8 above

## 11 Local Area Initiative

11.1 We have provided match funding for and assisted with a successful competitive funding application to the LEP for a project called 'grassroots'. This project, led by partners 'Groundwork' provided a pathway to new employment opportunities at Alconbury Weald from the area of greatest deprivation in Huntingdonshire through gaining skills/confidence by working on projects to improve parks and community spaces.

### 11.2 Outputs :

- 89 people signed up to Grassroots as beneficiaries
- 29 people gained paid employment, (10 from Green Skills projects)

- Over 40 qualifications gained
- 14 people completed further training, work experience or entered education

11.3 Alternative (to LEP) funding has been secured from DWP Flexible Support Fund to permit the continuation of this programme. This year Groundwork will deliver a 'Green Skills' employment training programme with local residents in Huntingdon North Ward. This will involve 10-12 unemployed or economically inactive people.

## 12 Community Organising

Last year's Grassroots project (see 11 above) included community action days as part of the engagement process for the scheme. There is insufficient budget available to specifically include these in the Groundwork delivery this year but links with other voluntary groups active in this area are to be continued.

## 13 Visitor Economy Strategy

Resource does not currently permit the development of a detailed visitor economy strategy or its implementation. However, in the promotion of the district as a great place to live, work and invest, some information relevant to visitors is being included in the marketing strategy and the associated web site.

## 14 Small and Medium sized Enterprise (SME) business accommodation

Space within the Incubator at Alconbury was quickly taken up. More medium sized provision is anticipated to be provided by Urban&Civic with 3 planning applications for speculative buildings anticipated to be submitted in June/July.

The Industrial Venture Centre would potentially provide further start-up accommodation space with specialist support. See 16 below.

## 15 Links with Cambridge University

We have been leading a partnership to commission research work from the Institute for Manufacturing (wholly owned by the University of Cambridge) to affirm target sectors for the EZ and identify those competencies required to support those sectors. This work will inform the delivery of the Technical Vocational Centre on the EZ in the short-term. In the medium/longer term it was hoped that it would lead to a relationship/partnership with the IfM. Indeed, new contacts and potential areas for collaboration and joint projects have come forward: there is potential for working with the IfM to pursue the delivery of an Industrial venture centre on the EZ (see section 16 below); and contacts have been established with a view to exploring the potential for the Technical Vocational Centre as a local delivery body for the National College for Advance Manufacturing.

## 16 Innovation and R&D in manufacturing

16.1 As a result of work with the IfM (see 15 above) we have been collaborating with the IfM on the development of a concept for how the Alconbury EZ could contribute to the overall development of the Greater Cambridgeshire Industrial ecosystem. This work has identified the potential need for an Industrial Venture Centre at Alconbury which would provide both physical space and facilities as well as technical expertise and advice to support both early stage ventures and established Small and Medium Enterprises in the High Value Manufacturing sector at the point of needing to develop products and scale up production processes and technologies.

16.2 This project, which could involve using the BFG underspend as match funding for a further funding application for European Structural and Investment Funds (ESIF) (see 6 above), would also potentially involve Urban&Civic and the IfM as partners.

## 17 Critical infrastructure

17.1 We have been working with our LEP on the development of a priority list of infrastructure projects for their negotiations and bidding processes with central government for Growth Deal funding.

17.2 The allocation of funds in round one included more than £10m for a Technical Vocational Centre at Alconbury and over £3m for a Welding Institute project also at Alconbury, but the overall allocation of funding to our LEP in round one was disappointing.

17.3 Government feedback encouraged closer working between the LEP and local authorities and as a result the allocation of funding in round two was notably improved. An additional £38 million of investment for our LEP was announced. Huntingdonshire will benefit directly from the funding of a local Highways & Civil Engineering academy to provide skilled labour for the many key transport schemes planned over the coming years. £16.6 million will also go into the LEP's Growing Places Fund scheme that provides affordable loan funding to overcome key barriers to growth and this will be available for our district to put forward appropriate infrastructure projects for this funding.

## 18 Developer's Forum and Huntingdonshire Investment Portfolio

These activities are interdependent on development of a marketing strategy and will be addressed once the marketing strategy is approved.

## 19 Internationalisation programme

The Chambers of Commerce are currently running a series of training, information and support activities aimed at supporting companies wishing to export. It is not currently deemed necessary to duplicate this activity.

# Agenda Item 5

Public  
Key Decision - No

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Programmes and Projects, including Facing the Future
<b>Meeting/Date:</b>	O&S Social Well-being, 2 June 2015 O&S Economic Well-being, 4 June 2015 O&S Environmental Well-being, 9 June 2015
<b>Executive Portfolio:</b>	Executive Leader and all other relevant Portfolio Holders
<b>Report by:</b>	Programme and Project Manager
<b>Ward(s) affected:</b>	All

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### Executive Summary:

The purpose of this report is to brief Members on progress of Huntingdonshire District Council's Corporate Programme.

There are currently 21 open or pending approval projects logged on the HDC SharePoint site across various programmes –

#### Corporate Programmes

Cross-Cutting	4
Facing the Future	8
Shared Services	3

#### Service Specific Programmes

Community	2
Customer Services	3
Leisure & Health	1

The Corporate Plan's strategic themes have been allocated to Overview and Scrutiny Panels as follows:

Social Well-being	1. Working with our communities
Economic Well-being	1. A strong local economy 2. Ensuring we are a customer focused and service-led Council
Environmental Well-being	1. Enable sustainable growth

Each project has been aligned with a strategic theme and therefore will be reported to the relevant Panel. However, as this is the first report, all projects are being reported to all Panels.

They are allocated as follows:

	Working with our communities	A strong local economy	Customer focused and service-led Council	Enable sustainable growth
Cross-Cutting			4	
Facing the Future		3	3	2
Shared Services		2	1	
Community	1			1
Customer Services			2	1
Leisure & Health		1		

**Recommendation(s):**

Members are recommended to consider the current projects being undertaken at HDC as well as those awaiting approval as outlined in Appendix A and comment on the process for project initiation going forward as detailed in Appendices B and C.

## **1. PURPOSE**

- 1.1 The purpose of this report is to brief Members on progress of Huntingdonshire District Council's corporate programme of projects.

## **2. BACKGROUND**

- 2.1 The Council appointed a Programme and Project Manager in January 2015 to manage the Council's corporate programme.
- 2.2 The Facing the Future Programme was well established, but needed rationalising. Other projects needed to be categorised in order to better monitor progress.
- 2.3 A mechanism for initiating projects needed to be established to avoid resource being committed to projects that did not realise benefits in relation to the Council's priorities and objectives.

## **3. PROGRAMME AND PROJECT MANAGEMENT**

- 3.1 In February Overview and Scrutiny held a Select Committee on Project Management. There was a recommendation that the Programme and Project Manager attend Overview and Scrutiny Panels to explain her new role and this meeting will give the opportunity to ask questions.

As a result of the Select Committee, a root and branch review was undertaken by the Programme and Project Manager and several changes have been made.

Projects are now categorised by Corporate or Service Programme. There are only three corporate programmes for Projects –

Cross-cutting	- If more than one service area is responsible for delivery
Facing the Future	- Projects initiated as a result of Facing the Future
Shared services	- Projects concerning the delivery of a Shared Service

By restricting the Programmes that are available for projects to fall within, it is easier for projects to be tracked and scrutinised.

In April, the new framework for project management was launched, which largely follows previous practice, but with the additional requirement that all projects are managed through SharePoint and the requirement to complete a Pre-Project Proposition form.

In order to ensure we allocate resources according to the priorities and objectives we have as a Council, a pre-project proposition form has been introduced. This form will enable any officer proposing a project to consider how it fits within the overall aims of the Council and clearly identify both financial and resource requirements. It also requires Heads of Service to confirm they agree with the principles of the Project and whether they believe it should be submitted to CMT or the appropriate Executive Member for approval.

By submitting this form to the Programme Office at an early stage it ensures

- we keep track of the direction projects are taking
- we don't waste resources on creating business cases for projects that will not meet with approval due to non-alignment with priorities or the level of investment required
- we ensure governance of projects as all propositions are stored within the corporate environment (SharePoint)

- 3.2 Members of the Overview & Scrutiny Panels have an important role in the Council's Programme and Project Management. It is intended that Members should concentrate

their monitoring on the strategic direction of projects and their alignment with HDC's objectives to enable them to adopt a strategic overview while building confidence that the Council's priorities are being achieved.

- 3.3 Overview and Scrutiny Panels each receive separate quarterly performance reports, ordered by strategic theme. As this is the first report to the Panels, all projects have been included on this occasion to enable Members to see all projects that are currently being undertaken.

Going forward, Cabinet will receive a quarterly report covering all of the Council's current and pending projects as part of the performance reporting against the Corporate Plan.

#### **4. RECOMMENDATION**

- 4.1 Members are recommended to consider and comment on the current projects being undertaken at HDC and comment on the process for project initiation going forward as summarised in Appendix A and detailed in Appendices B and C.

#### **CONTACT OFFICER**

Laura Lock, Programme and Project Manager  
( (01480) 388086



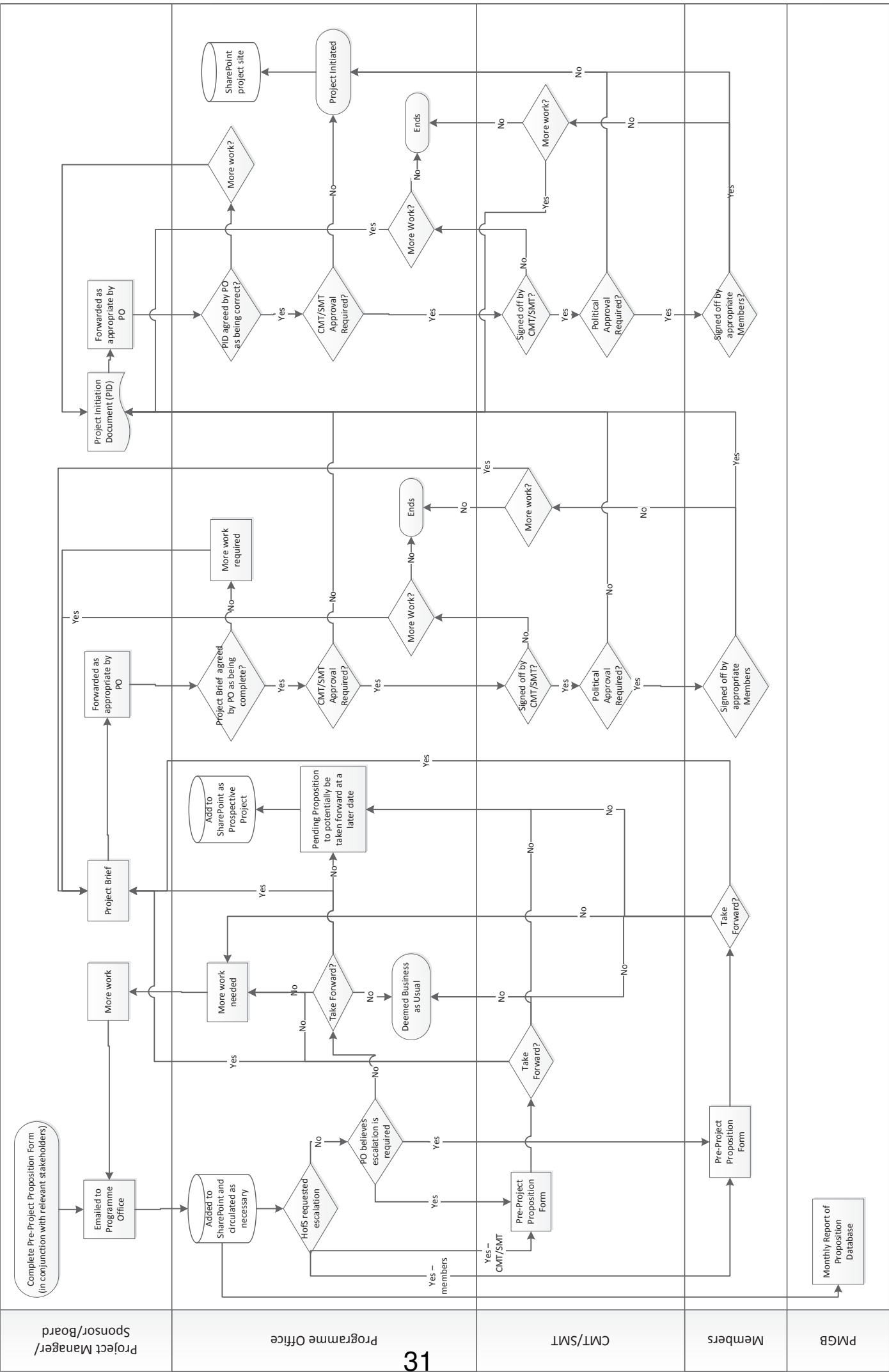
Appendix A - list of current open or pending approval projects logged on the HDC SharePoint site

Title	RAG Status	Project Manager	Purpose of Project	Target End Date	Project Status	Programme	Expected End Date	Overview & Scutiny Panel	Corporate Priority
Loves Farm Community Building	Green	Allen, Chris (Projects)	Delivery of the new Loves Farm Community building in conjunction with CCC	31/07/15	Open	Community		Social Well-being	Working with our Communities
Huntingdon West	Green	Allen, Chris (Projects)	Regeneration of Huntingdon Town Centre	30/09/15	Open	Community		Environmental Well-being	Enabling Sustainable Growth
Resource Booking	Pending	Clough, Lucie (Corporate Office)	To explore options and procure a new room booking system for internal and third party use.		Pending Approval	Cross-Cutting		Economic Well-being	Ensuring we are Customer Focused and Service Led
Debt Recovery	Pending	Clough, Lucie (Corporate Office)	Improve the debt recovery process to be efficient and cost effective to maximise financial recovery.		Pending Approval	Cross-Cutting		Economic Well-being	Ensuring we are Customer Focused and Service Led
Operations Data Review	Green	Alterton, Emma (IMD)	To resolve issues raised by Operations in using their data through Uniform & GIS	30/07/15	Open	Cross-Cutting		Economic Well-being	Ensuring we are Customer Focused and Service Led
CIL/S106 Idox Implementation	Green	Alterton, Emma (IMD)	To implement UNIFORM CIL module and Obligation Tracker for CIL, this includes Outlook Integration and Access Reports.	30/11/13	Open	Cross-Cutting	30/09/15	Economic Well-being	Ensuring we are Customer Focused and Service Led
Website Redevelopment	Green	Sexton, Kathryn (Customer Services)	To completely re-build a new HDC website in Umbraco.	16/10/15	Open	Customer Service		Economic Well-being	Ensuring we are Customer Focused and Service Led
Cambridgeshire Anti Fraud Network	Green	Askew, Paul (Benefit Fraud)	Fraud deterrence and prevention, improved investigations processes and a joint approach to investigations by shared use of intelligence, data and technology.	31/03/16	Open	Customer Service		Environmental Well-being	Enabling Sustainable Growth
Benefits Online Changes	Pending	Huggins, Barnes (Rev. Serv.)	To provide an intelligent online form with back office integration for customers to report changes in their Housing Benefit & Council Tax Support.		Pending Approval	Customer Service		Economic Well-being	Ensuring we are Customer Focused and Service Led
Tree Management System	Amber	Craig, John (Operations)	Put in place a robust tree management system	31/03/15	Open	Facing the Future	29/05/15	Economic Well-being	Ensuring we are Customer Focused and Service Led
Leisure Invest to Save Opportunities	Amber	Davidson, Chris (Leisure)	Explore further opportunities for invest to save schemes including conversion of synthetic pitch at St Neots and self serve gyms at Ramsey and Sawtry.	30/09/15	Open	Facing the Future	01/09/15	Economic Well-being	A Strong Local Economy
e-Consultation	Green	Moffat, Andy (Planning)	Develop IT to assist with the implementation of e-consultation	30/09/15	Open	Facing the Future		Environmental Well-being	Enabling Sustainable Growth
Council Tax Automated Forms	Green	Woodruff, Paul (IMD)	Introduce automated forms into business systems	31/03/16	Open	Facing the Future		Economic Well-being	A Strong Local Economy
Call Centre & CSC Provision	Green	Greet, Michelle (Customer Service)	Examine the future provision by the Call Centre and CSC at PFH. Include an assessment of performance standards and the business case for moving and merging the teams.	31/03/16	Open	Facing the Future		Economic Well-being	Ensuring we are Customer Focused and Service Led
Future delivery of waste services across Cambridgeshire	Green	Merrick, Alistair (Operations)	Continue working with RECAP on options for a whole service approach for the future delivery of waste services across Cambridgeshire	31/12/15	Open	Facing the Future		Economic Well-being	Ensuring we are Customer Focused and Service Led
Introduction of "End of Lane" waste collection policy	Green	Gordon, Beth (Operations)	Analyse the implications of introducing an "End of Lane" waste collection policy	30/08/15	Open	Facing the Future		Environmental Well-being	Enabling Sustainable Growth
Strategic review of Industrial and Commercial stocks	Green	Tilah, Bill (Estates)	Deliver a strategic review of Industrial and Commercial stocks	30/09/2015	Open	Facing the Future		Economic Well-being	A Strong Local Economy
OLH Development	Pending	France, Paul (One leisure)	Redevelop One Leisure Huntingdon including Impressions and Zest	31/03/16	Pending Approval	Leisure & Health		Economic Well-being	A Strong Local Economy
IT Shared Service	Green	Alterton, Emma (IMD)	To bring together HDC, SCDC and Cambs City IT departments	01/10/15	Open	Shared Service		Economic Well-being	A Strong Local Economy
Legal Shared Service	Green		To bring together HDC, SCDC and Cambs City Legal departments	01/10/15	Open	Shared Service		Economic Well-being	A Strong Local Economy
Building Control Shared Service	Green		To bring together HDC, SCDC and Cambs City Building Control departments	01/10/15	Open	Shared Service		Economic Well-being	Ensuring we are Customer Focused and Service Led

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Programme Office – Pre-Initiation Process Map

Phase



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### Pre-Project Proposition Form

Service  Lead Officer

Project Name

**Business Opportunity / Problem Statement**  
Describe the business opportunity or problem. Consider the wider corporate implications of doing (or not doing) this proposal, as well as the specific impacts to your service.

Has this Proposition been approved by the Relevant Head of Service(s)

**All Propositions must be discussed with Head of Service prior to being submitted. It is for the Head of Service to decide whether the Project Proposition should be escalated to CMT or Members.**

**'Do Nothing' Option**  
Describe the impact of doing nothing

Has this Proposition been discussed with CMT?  If no, does it need escalating via the Programme office to CMT?

Has this Proposition been discussed with Executive Member(s)  If no, does it need escalating via the Programme office to Members?

**Estimated Financial Benefits (£'000)**  
Detail the year-by-year anticipated savings and describe how these will be realised. Any additional costs should be entered as negative (-) values

**Goals & Benefits**  
Describe the **GOALS** of the project | Provide a brief overview of the expected **BENEFITS**

Year One	Year Two	Year Three	Year Four	Year Five
Revenue Costs	Revenue Costs	Revenue Costs	Revenue Costs	Revenue Costs
Capital Costs	Capital Costs	Capital Costs	Capital Costs	Capital Costs
Savings	Savings	Savings	Savings	Savings
Income	Income	Income	Income	Income

**Risks & Issues**  
Describe the key **RISKS** that could inhibit delivery of the project | List the key **ISSUES** to be addressed as the project progresses

**Operational Measure to show Future Progress**  
Describe what measures will be used to assess and demonstrate progress towards achieving the goals & benefits

**Current Performance Measurement**  
Describe any applicable KPI's currently used to monitor performance in this area

Is there a statutory or contractual requirement to undertake this project?  Yes

**Resources Required**  
Project Team | Enter the names of key resources assigned to this project

**Corporate Plan 2014 - 16**  
For each element score out of 100 the extent the project contributes towards HDC's corporate plan

**A Strong Local Economy**  
1.1 Accelerate business growth and investment  
1.2 Remove infrastructure barriers to growth  
1.3 Develop a flexible and skilled workforce

**Enabling Sustainable Growth**  
2.1 Improve the supply of new and affordable housing to meet future needs  
2.2 Develop sustainable growth opportunities in and around our market towns  
2.3 Enhance our green and built environment

**Working With Our Communities**  
3.1 Create safer, stronger and more resilient communities  
3.2 Improve health and well-being  
3.3 Empower local communities

**Ensuring we are a Customer Focused and Service Led Council**  
4.1 Become more business like and efficient in the way we deliver services  
4.2 Ensure customer engagement drives service priorities and improvements

External Resources	Required
HR	No
IMD	No
Finance	No
Procurement	No
Legal	No
Customer Services	No
Other - please overtype with required resource	No

Timeline of Key Milestones	Date

Corporate Plan Score - calculated automatically

Key Project Milestones	Date

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**Public**  
**Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Corporate Plan – Performance Report

**Meeting/Date:** O&S Social Well-being, 2 June 2015  
O&S Economic Well-being, 4 June 2015  
O&S Environmental Well-being, 9 June 2015  
Cabinet, 18 June 2015

**Executive Portfolio:** Executive Leader and all other relevant Portfolio Holders

**Report by:** Corporate Team Manager

**Ward(s) affected:** All

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### **Executive Summary:**

The purpose of this report is to brief Members on progress against the Key Activities and Corporate Indicators listed in the Council's Corporate Plan for 2014/15 for the period 1st January 2015 to 31st March 2015.

The Corporate Plan's strategic themes have been allocated to Overview and Scrutiny Panels as follows:

Social Well-being	1. Working with our communities
Economic Well-being	1. A strong local economy 2. Ensuring we are a customer focused and service-led Council
Environmental Well-being	1. Enable sustainable growth

### **Recommendation(s):**

Members are recommended to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan, as summarised in Appendix A and detailed in Appendix B.

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## **1. PURPOSE**

- 1.1 The purpose of this report is to present performance management information on the Council's Corporate Plan for 2014/15.

## **2. BACKGROUND**

- 2.1 The Council's [Corporate Plan 2014-16](#) was adopted by Council in April 2014. This was a two year plan setting out what the Council aimed to achieve in addition to its core statutory services. The information in the summary at Appendix A and the performance report at Appendix B relates to the Key Actions and Corporate Indicators listed for 2014/15. An updated version of the Corporate Plan listing actions and indicators for 2015/16 was adopted by Council in April 2015 and progress against these will be reported to future Overview & Scrutiny Panel meetings.

## **3. PERFORMANCE MANAGEMENT**

- 3.1 Members of the Overview & Scrutiny Panels have an important role in the Council's Performance Management Framework and a process of regular review of performance data has been established. It is intended that Members should concentrate their monitoring on the strategic themes and associated objectives to enable them to adopt a strategic overview while building confidence that the Council's priorities are being achieved
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at Appendix B includes performance data in the form of a narrative of achievement and a RAG (Red/Amber/Green) status against each Key Action in the Corporate Plan and results for each Corporate Indicator.
- 3.3 Overview and Scrutiny Panels each receive separate quarterly performance reports, ordered by strategic theme. Cabinet receive a single report covering all of the Corporate Plan strategic themes and all Corporate Indicator results.
- 3.4 The Performance Indicator data has been collected in accordance with the procedures identified in the service area data measure template.
- 3.5 As the report refers to 2014/15, references are made to the Portfolio Holders and Heads of Service relevant at that time and not necessarily the current structure.

## **4. RECOMMENDATION**

- 4.1 Members are recommended to consider and provide comments to Cabinet on progress made against Key Activities and Corporate Indicators in the Corporate Plan 2014/15, as summarised in Appendix A and detailed in Appendix B.

### **CONTACT OFFICER**

Adrian Dobbyne, Corporate Team Manager

( 01480) 388100

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# Appendix A

## Performance Summary Quarter 4, 2014/15



### A strong local economy

#### Progress on Key Actions:

Green	Amber	Red	Not due
6	0	1	0

#### Progress on Corporate Indicators:

Green	Amber	Red	Not due
No Corporate Indicators in this theme			

### Making Huntingdonshire a better place to live, work and invest

Highlights include the launch of a fast track pre-application advice to potential growing businesses.



### Enabling sustainable growth

#### Progress on Key Actions:

Green	Amber	Red	Not due
3	2	4	0

#### Progress on Corporate Indicators:

Green	Amber	Red	Not due
1	3	3	1

### Delivering new and appropriate housing with minimum impact on our environment

Highlights include the completion of a successful Stage 4 Targeted Consultation for the Local Plan 2036.



### Working with our communities

#### Progress on Key Actions:

Green	Amber	Red	Not due
8	5	0	0

#### Progress on Corporate Indicators:

Green	Amber	Red	Not due
3	2	0	0

### Making sure they thrive and get involved with local decision making

Highlights include new temporary accommodation units, leading to fewer households being placed in B&Bs.



### Ensuring we are a customer focused and service led council

### Delivering value for money services

Highlights include the identification of savings of £1.8m through the first tranche of Zero Based Budgeting.

#### Progress on Key Actions:

Green	Amber	Red	Not due
7	1	0	0

#### Progress on Corporate Indicators:

Green	Amber	Red	Not due
9	5	1	1

CORPORATE PLAN – PERFORMANCE REPORT

**Appendix B**

STRATEGIC THEME - A STRONG LOCAL ECONOMY

Period January to March 2015

Summary of progress for Key Actions

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	6		0		1		0		0

Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.

Summary of progress for Corporate Indicators

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	n/a		n/a		n/a		n/a		n/a

**WE WANT TO: Accelerate business growth and investment**

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
<b>G</b>	Review the Council’s business growth and inward investment role	April 2015	Cllr Sanderson	Andy Moffat	<u>Economic Development</u> Review completed and results due to be presented to O&S Economic Well-Being in Q1 of 2015/16.
<b>G</b>	Deliver a programme of themed business information events, and measure their impact.	Ongoing	Cllr Sanderson	Andy Moffat	<u>Economic Development</u> Financial Management event held on 25 <sup>th</sup> March 2015, with 40 attendees. Of evaluation forms returned, 79.6% registered a good or excellent evaluation score for content and 100% for organisation. This completes the planned programme of 3 main events in 2014/15, following previous sessions on Innovation and Taxation and Accessing Funding.
<b>G</b>	Fast track pre-application advice to potential growing businesses and report on its effectiveness	Dec 2014	Cllr Dew	Andy Moffat	<u>Development Management</u> The system has been live and operational since January 2015, with a press release issued and a nominated case officer

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
					responsible for the process. No fast-track eligible pre-applications have been received to date. Key action complete.

**WE WANT TO: Remove infrastructure barriers to growth**

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
<b>R</b>	Develop Community Infrastructure Levy (CIL) governance structure	Jan 2015	Cllr Dew	Andy Moffat	<u>Planning Policy</u> This work has now been rolled forward into the Development Service's Service Plan for 2015/16. It will involve discussions with CCC and other infrastructure providers.
<b>G</b>	Influence the Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP) and supporting documents to reflect the impact of new housing and associated infrastructure in driving and supporting economic growth		Cllr Dew and Cllr Sanderson	Andy Moffat	<u>Economic Development</u> On 29 <sup>th</sup> January 2015, the Government announced an additional £38m of investment for our LEP via the second phase of its Growth Deal.  Huntingdonshire will benefit directly from the funding of a local Highways & Civil Engineering academy to provide skilled labour for the many key transport schemes planned over the coming years. £16.6m will go into the LEP's Growing Places Fund scheme that provides affordable loan funding to overcome key barriers to growth. This will be available for local projects to put forward appropriate applications for this funding.  This is in addition to the £3.6m and £11m previously awarded for the Alconbury Weald EZ High Tech Company Expansion and the Alconbury Weald Technical and Vocational Centre, Huntingdonshire respectively in July 2014.  Increased local authority influence over the course of the past financial year correlates directly to improved levels of funding received. Exerting influence over LEP infrastructure prioritisation will be an on-going priority.

**WE WANT TO: Develop a flexible and skilled local workforce**

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
G	Commit resources to the Enterprise Zone (EZ) skills strategy group		Cllr Sanderson	Andy Moffat	<p><u>Economic Development</u> A new one-stop-shop service (called 'EDGE: sharper skills for Enterprise') will be a key part of the EZ skills strategy. EDGE will bring together a range of existing job brokerage and skills development services, making access more effective and joined up for businesses and people. EDGE is an innovative example of an output that addresses Public Sector Rewiring, a new format of delivery which adds value to partners and prospective customers alike.</p> <p>The EZ Skills Group is currently firming up EDGE service planning, while EDGE frontline operational resources are about to enter into their induction training and planning for the official opening anticipated in May/June 2015. The service planning will bring with it a revised target/outcome reporting that will reflect the joint activities of EDGE. Commitment of resource to EDGE will be ongoing.</p> <p>A successful apprenticeship promotion event was held in December, with 75 businesses attending and around 600 Year 8 students visiting the exhibition and engaging with firms.</p>
G	Support the development of stronger links between businesses and education through Huntingdonshire Academies Secondary Partnership (HASP) with a focus on local employability		Cllr Sanderson	Andy Moffat	<p><u>Economic Development</u> HASP schools' engagement with EDGE and associated activities with business was delivered during this quarter and over the whole year. Activities over the year included events to deliver interactions between business and schools, school visits by companies, company visits by schools and an audit of information and careers guidance across all schools.</p>

**STRATEGIC THEME - ENSURING WE ARE A CUSTOMER FOCUSED AND SERVICE LED COUNCIL**

**Period January to March 2015**

**Summary of progress for Key Actions**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
<b>7</b>		<b>1</b>		<b>0</b>		<b>0</b>		<b>0</b>	

*Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.*

**Summary of progress for Corporate Indicators**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
<b>9</b>		<b>5</b>		<b>1</b>		<b>0</b>		<b>1</b>	

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**WE WANT TO: Become more business-like and efficient in the way we deliver services**

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
<b>G</b>	Introduce zero base budgeting (ZBB) for 2015/16 including a service challenge process	Dec 2014	Cllr Gray	Clive Mason	<p><u>Accountancy</u> ZBB (Tranche 1) was completed and presented to Cabinet in February 2015. The total net savings were £2.4m; this was as a result of ZBB savings of £1.8m, Facing the Future savings of £0.8m and Growth additional expenditure of £0.2m. The budget was approved by Full Council in February 2015.</p> <p>In preparation for the 2015/16 ZBB programme, Heads of Service have prepared service plans that detail relative service measures and the programme of Tranche 2 reviews has commenced – the target “Cabinet” Star Chambers are scheduled for July 2015.</p>
<b>G</b>	Deliver ‘Facing the Future’ (FtF)	Various	Cllr Gray for programme / Various for themes and	Adrian Dobbyne	<p><u>Corporate Team</u> A new approach to managing Facing the Future has been agreed so that we can monitor performance more easily. A review has resulted in a new categorisation being applied that</p>

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
			activities		classifies the outstanding programme tasks as either business as usual or as projects. All projects will then be managed with the discipline of our project management methodology. Other activities are now completed and will no longer be reported, whereas some will remain as pending where no decision has been made yet as to if and when the activity will be undertaken. The reporting process now in place will make for easier analysis of the programme, which has seen significant progress made.
G	Develop full business case for previously identified energy reduction projects across the Council estate	Dec 2014	Cllr Gray	Eric Kendall	<u>Environment Team</u> Desktop assessments have been undertaken at each of the Council's 9 main sites. We are currently awaiting findings, which will then be submitted to CMT to enable prioritisation of sites and agreement as to which (if any) should proceed to full investment grade proposals.
G	Review internal communications	May 2014	Cllr Ablewhite	Adrian Dobbyne	<u>Corporate Team</u> The new Communications Strategy was completed (launched in April), having been influenced by and then formally approved by Cabinet and Senior Management Team. This reflected the review of internal communications and sets out the framework for how we will communicate both internally and externally.
G	Carry out staff satisfaction survey	Aug 2014	Cllr Ablewhite	Jo Lancaster	<u>Corporate Team</u> This was carried out last summer and we have followed up with an Action Plan produced and implemented through Quarters 2, 3 and 4. This has been regularly reported back at focus group sessions and Employment Panel with most actions completed by Quarter 3 and only a few still outstanding; some of which were targeted for 2015/16. The survey will be repeated in 2015/16, with the same base of questions so that we can see the changes from 2014/15.



**WE WANT TO: Ensure customer engagement drives service priorities and improvement**

Status	Key Actions for 2014/15	Target date	Portfolio Holder	Head of Service	Progress Update – Q4 / end of year 2014/15
A	Develop use of the website for consultation and engagement		Cllr Chapman	John Taylor	<u>IMD / Corporate Team</u> A new tool for publishing consultation on the website was built in 2015 and rolled out in Q2. The use of the tool will be driven by business need. In addition, a project to build a new HDC website has been approved and this will contain tools and techniques for consultation.
G	Implement a consultation exercise with residents to inform 2015/2016 budget planning	Aug 2014	Cllr Gray	Adrian Dobbyne	<u>Corporate Team</u> This was completed in Quarter 2, feeding into budget preparation which took place in Quarters 3 and 4. Plans are in place to run a budget consultation exercise this summer to inform 2016/17 budget planning.
G	Prepare for Universal Credit (UC) and the move to a Single Fraud Investigation Service (SFIS)	SFIS – May 2015  UC – between Dec 2015 and April 2016 (new claims for single people)	Cllr Chapman	John Taylor	<u>Benefits</u> Watching Developments nationally with respect to Universal Credit (UC) and attending seminars regularly for updates on progress – the recent confirmation of the Government cements the likelihood of UC roll out. Significant work occurred in 2014/15 on the move to SFIS involving staff in the service, HR specialists and the DWP. HDC staff transferred to SFIS on 1st May 2015, leaving a smaller fraud team at HDC to focus on non-welfare related fraud.

## Corporate Performance and Contextual Indicators

### Key to status

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
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Performance Indicator	Full Year 2013/14 Performance	Annual 2014/15 Target	Outturn 2014/15 Performance	Outturn 2014/15 Status
Growth in Business rates Aim to maximise	n/a	n/a	n/a	n/a
Comments: <u>No data available, this is being removed as a PI</u>				
Number of days to process new benefits claims Aim to minimise	25 days	27 days	25 days	G
Comments: (Customer Services) <i>A very good performance during quarters 3 and 4 meant that the final outturn figure exceeded the annual target. The introduction of Risk Based Verification (automatic checking of the level of risk associated with a claimant) in Q1 helped this achievement.</i>				
Number of days to process changes of circumstances Aim to minimise	6.2 days	8 days	5 days	G
Comments (Customer Services) <i>A very good performance during quarters 3 and 4 meant that the final outturn figure exceeded the annual target. Automation of a number of processes during the year supported this.</i>				
Number of days to process new council tax support claims Aim to minimise	21 days	27 days	25 days	G
Comment: (Customer Services) <i>A very good performance during quarters 3 and 4 meant that the final outturn figure exceeded the annual target. The introduction of Risk Based Verification (automatic checking of the level of risk associated with a claimant) in Q1 helped this achievement.</i>				

Performance Indicator	Full Year 2013/14 Performance	Annual 2014/15 Target	Outturn 2014/15 Performance	Outturn 2014/15 Status
Number of days to process council tax support change events Aim to minimise	5 days	8 days	6 days	G
Comments: (Customer Services)  <i>A very good performance during quarters 3 and 4 meant that the final outturn figure exceeded the annual target. Automation of a number of processes during the year supported this.</i>				
% of Council Tax collected against target Aim to maximise	98.3%	98.5%	98.4%	A
Comments: (Customer Services)  <i>Challenges continue in current financial climate particularly on some caseloads (CTS, Premiums, Empty Property) where officers face litigious arguments and avoidance but overall collection rates are pleasing given the technical and welfare changes in 2013, and recently some backdated Banding Appeals.</i>				
% of Business Rates collected against target Aim to maximise	98.8%	98.5%	98.8%	G
Comments: (Customer Services).  <i>Business Rates overall collection continues to be affected by large backdated valuation appeals but the in-year collection at 31/3/15 shows collection in a more accurate light - but those factors (plus avoidance on empty properties) are still to the detriment of the overall "income pot" and are being tackled robustly by Officers.</i>				
Telephone satisfaction rates Aim to maximise	99%	95%	98%	G
Comments: (Customer Services)  <i>The Call Centre and Customer Service Centre survey customers twice a year by post. We randomly select 10% of customers over the course of a month and send them paper surveys. The advisors do not know whether they are going to be surveyed and the customer has time to assess whether the service delivery has met their expectations. The next bi-annual satisfaction survey will be sent out in May 2015.</i>				

Performance Indicator	Full Year 2013/14 Performance	Annual 2014/15 Target	Outturn 2014/15 Performance	Outturn 2014/15 Status
Customer service centre satisfaction rates Aim to maximise	99%	95%	98%	G
Comments: (Customer Services)  <i>Customer Service Centre customers are surveyed at the same time as the Call Centre. The next bi-annual survey will be in May 2015.</i>				
Staff sickness (working days lost per FTE) Aim to minimise	7.6	No target set	11.5	R
Comments: (Corporate Office)  <i>This is the highest figure that HDC has ever reported. It is considerably higher than the 2013/14 average reported by the East of England LGA (7.4) and the CIPD public sector average (7.9). However, following a more concerted effort from managers, a reminder of the need to manage sickness absence more robustly and a session on the policy for managing sickness aimed at Management Team, sickness absence fell during the last quarter with a significant reduction in long-term sickness absence in particular. Reducing sickness absence will remain a key priority for managers in 2015/16 as we continue to implement the sickness absence policy. Sickness absence is included as a performance measure in the organisational suite of PI's that apply to all Services for 2015/16. Further details about sickness absence in the last quarter will be included in a report to Employment Panel in June.</i>				
Subsidy per visit to council owned leisure facilities Aim to minimise	n/a	-£0.01	£0.03	A
Comments: (Leisure and Health)  <i>Ongoing management actions agreed by the Leisure Board and Zero Based Budgeting resulted in a reduction in expenditure, an increase in income and an improvement in net operating cost. Ambitious targets were narrowly missed and now form the basis for future performance. Net operating result was an improvement of c£300K compared to 2013/14 and now stands at a deficit of c£60K. This trend is expected to continue to a position of a net operating surplus in 2015/16.</i>				
% of rent achievable on estates portfolio Aim to maximise	96%	100%	97%	A
Comments: (Resources)  <i>Target set at 100% as aim is to maximise the rental income by rent and lease reviews (increase the achievable income). The % rent received for the quarter is calculated from the total budgeted potential income for the commercial estate less lost income from vacant units and rent arrears for the quarter. Note - several units are due to complete on new leases in July, therefore this performance should improve (reduced void rent losses). Despite a rise in rent arrears there have been new lettings on several larger properties at Levellers lane – offsetting NDR and increasing rental income.</i>				

Performance Indicator	Full Year 2013/14 Performance	Annual 2014/15 Target	Outturn 2014/15 Performance	Outturn 2014/15 Status
% of space let on estates portfolio Aim to maximise	92%	95%	97%	G
Comments: (Resources)  <i>Target - set at 95% as there is allowance for turnover of units and void periods of 3-6 months. % space let calculated by total number of industrial, retail and office premises available minus the number of vacant units in the quarter (note the full year is calculated by an average of the quarters). Expected improvement to vacancy rates due to improving economic conditions and improved marketing / pro –active estate management.</i>				
% of rent arrears on estates portfolio Aim to minimise	<1%	<1%	1.3%	A
Comments: (Resources)  <i>Ongoing target is to keep the rent arrears below 1% of the total budgeted gross income. There has been a steady increase quarterly in the rent arrears in 2014/15. Estates have re-instigated monthly rent arrears meetings with income team and the rent arrears recovery process /procedures have been reviewed.</i>				
Total amount of energy used in Council buildings Aim to minimise	12,147,846 (kWh)	11,904,889 (kWh)	11,930,227 (kWh)	A
Comments: (Operations)  <i>Target is a 2% reduction in energy used. Actual reduction of 1.79% achieved. A programme of energy reduction projects is being developed through the RE:FIT energy efficiency performance framework, to ensure that a year on year 2% reduction is achieved going forward.</i>				
Total diesel fuel used from Council's fleet of vehicles Aim to minimise	577,778 (Litres)	566,222 (Litres)	552,686 (Litres)	G
Comments: (Operations)  <i>Target was a 2% reduction in diesel fuel used. Outturn figure was a reduction of 4.3% on diesel fuel used compared to 2013/14.</i>				



## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title:</b>	<b>Provisional Outturn 2014/15 (Revenue and Capital)</b>
<b>Meeting/Date:</b>	Overview & Scrutiny (Economic Well-being) Panel, 4 <sup>th</sup> June 2015 Cabinet, 18 <sup>th</sup> June 2015
<b>Executive Portfolio:</b>	Resources: Councillor J A Gray
<b>Report by:</b>	Head of Resources
<b>Ward(s) affected:</b>	All Wards

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### **Executive Summary:**

During the year Members have received financial performance monitoring reports, updating them on the Councils financial position. This provisional outturn report provides Members with an indication of the likely outturn for the financial year ending 31<sup>st</sup> March 2015.

### **Revenue**

#### Service budgets

At this time the provisional revenue outturn for 2014/15 is showing a net service expenditure position of £18.171m. Compared to the original 2014/15 budget of £20.870m (approved in February 2014) there is a projected underspend of £2.699m. The movement of £0.972m since the reported February forecast of £19.143m is mainly due to expenditure savings in:

- £55,000 Leisure centres
- £66,000 IMD vacancies
- £65,000 Operations Management
- £97,000 Pathfinder House
- £104,000 Street Cleaning

Additional income in:

- £44,000 Licencing
- £122,000 Car parks

#### Funding

Further to the service savings above, additional funding of £2.017m over the original 2014/15 budget of £12.227m was received. This is comprised of £0.493m additional retained business rates and £1.427m of reliefs and grants.

2014/15 was the second year of the new localised Retained Business Rates scheme which has been a significant change in Central Government funding. The new Business Rates scheme introduced a more complex accounting regime that required changes to how funding was to be calculated, some of which were not recognised in the 2014/15 budget setting process. These variations were confirmed in May 2015 with the completion of the central government "NDR 3" return. A number of factors have contributed to this funding variation not being forecast during the year, steps are now being undertaken to remedy this.

## Reserves

From the 2014/15 provisional outturn, it is proposed that £0.122m is transferred to the General Fund Reserve as reported in the February 2015 forecast. This would give an estimated General Fund Reserve balance of £8.806m.

With the Council's commitment to improving its financial resilience, it is proposed that the remaining surplus of £3.589m be transferred to earmarked reserves as follows:

- £0.100m Alconbury & Molesworth support and challenge fund"
- £0.500m Chequers Court Development fund
- £0.261m Carry forward reserve
- £2.728m Commercial Investment Strategy fund.

In addition to the reported underspend of £18.171m, the Council is also the accountable body for the Transformation Challenge Award (TCA) grant scheme which is providing "seed funding" for the Tranche 1 shared service projects being undertaken by the three strategic partners. At the 31<sup>st</sup> March 2015, the amount currently unused (but expected to be utilised during 2015/16) is £0.443m. This amount will be allocated to a new Earmarked Reserve entitled "TCA funding for shared services".

## **Capital**

The provisional capital outturn is showing a net expenditure position of £2.999m for 2014/15. Compared to the Updated 2014/15 budget (approved in February 2015) that expenditure is £0.489m below the level expected; this is primarily due to underspend of £0.617m, unused budget of £0.194m and delayed programme of £0.271m.

### **Recommendation(s):**

The Cabinet is requested to:

1. Note, in respect of the 2014/15 provisional outturn the:
  - revenue net expenditure of £18.171m
  - reasons for the £2.699m variance on the original service budgets (Table 1 in the main report)
  - capital expenditure of £2.999m
  - reasons for the £0.489m variance on the capital programme (Table 5 in the main report).
2. Approve, in respect of the revenue provisional outturn noted in 1 above the transfer to Earmarked reserves of:
  - £0.100m Alconbury & Molesworth Support and Challenge reserve.
  - £0.261m Carry forwards to the 2015/16 service revenue budget.
  - £0.443m TCA Funding for Shared Service reserve.
  - £0.500m Chequers Court Development reserve.
  - £2.728m Commercial Investment Strategy reserve.
3. Approve, in respect of the capital and provision outturn noted in 1 above:
  - the carry forward of committed expenditure on capital projects of £0.271m
4. Approve a delegation for the Head of Resources:
  - to adjust the revenue contributions noted in 3 above, in consultation with the Portfolio Holder for Resources and the Managing Director, if the actual outturn varies to that noted in 1 by more than 2.5%.



## 1. PURPOSE

- 1.1 During the year Members have received financial performance monitoring reports which have updated them on the Councils financial position. This provisional outturn report provides Members with an indication of the likely outturn for the financial year ending 31<sup>st</sup> March 2015.

## 2. BACKGROUND

### Approved Budget

- 2.1 In February 2014 the Council approved the Councils 2014/15 net expenditure budget. The budget comprised of:

- Revenue £20.870m and
- Capital £ 4.623m.

- 2.2 In respect of:

- revenue, the budget requirement was £19.865m which required a £1.005m contribution from general reserves to give an estimated General Fund Reserve balance of £9.027m at the 31<sup>st</sup> March 2015
- capital, this was to be financed from a mix of capital receipts, capital reserves and working capital.

### Budget Monitoring

- 2.3 In early April 2015, the Cabinet received the February 2015 Financial Performance Monitoring Suite. The key financial indicators reported at this time were forecast:

- revenue spending of £19.143m, £1.727m less than the original budget.
- revenue contributions to earmarked reserves for:
  - § Chequers Court £0.5m
  - § Alconbury & Molesworth £0.1m
- revenue contribution **to** general reserves of £0.122m, which compares to an originally budgeted contribution **from** general reserves of £1.005m.
- net capital spending of £3.439m.

## 3. PROVISIONAL OUTTURN

### Provisional Revenue Outturn compared to Original Budget

- 3.1 The provisional revenue outturn for “net expenditure” is £18.171m; this includes the following accounting adjustments:

- statutory adjustments in respect of contributions to earmarked reserves for capital receipts/grants,
- technical adjustments in respect of Receipts in Advance, and
- cash adjustments in respect of Irrecoverable VAT, government grant and bad debts provision.

- 3.2 Considering the aforementioned provisional outturn, the net impact of this is that net service expenditure is less than the original budget by £2.699m. The additional underspend of £0.972m from the reported February estimated outturn of £19.143m, is in large part due to all services reducing their expenditure. Since the February forecast, the main areas of significant underspend have been:

- £55,000 Leisure centres
- £65,000 Operations Management
- £66,000 IMD vacancies
- £97,000 Pathfinder House
- £104,000 Street Cleaning

- 3.3 In addition to the reported underspend of £18.171m, the Council is also the accountable body for the Transformation Challenge Award (TCA) grant scheme which is providing “seed funding” for the Tranche 1 shared service projects being undertaken by the three strategic partners (South Cambridgeshire and Cambridge City councils). As noted in the reserves commentary below, this will be moved to an earmarked reserve for future workings.
- 3.4 In addition to the expenditure savings, there has also been additional income from Licencing of £44,000 and Car parks of £122,000.
- 3.5 Table 1 below is a comparison of the original budget approved by Council in February 2014 against the provisional outturn for March 2015. The table highlights both the underspend by services and the additional government funding but reconciling back to the approved Council Tax set in February 2014.

<b>Table 1</b>				
<b>Summary of the variations from the Original Budget to the Provisional Revenue Outturn for 2014/15</b>				
	<b>Original Budget £m</b>	<b>Provisional Outturn £m</b>	<b>Variance</b>	
			<b>£m</b>	<b>%</b>
<b>Net service expenditure</b>	<b>20.870</b>	<b>18.171</b>	(2.699)	(12.93)
Government Support & Collection Fund surplus	(12.227)	(14.244)	(2.017)	16.5
Use of reserves:				
- to/(from) reserves	(1.005)	0.122	1.127	112.4
- to earmarked reserves		3.589	3.589	
<b>Council Tax</b>	<b>(7.638)</b>	<b>(7.638)</b>		

- 3.6 Further analysis in respect of net service expenditure, government funding and the proposed reserve allocation is included below.

#### **Variations in Net Service Expenditure**

- 3.7 During the year, Heads of Service have provided commentary for the variations in their service forecasts to the updated budget. Table 2 below shows a breakdown of the forecast variations by service from the original budget to the provisional outturn.

<b>Table 2</b>		
<b>Revenue Budget summary</b>	<b>£ m</b>	<b>£ m</b>
<b>Original Approved Budget for 2014/15</b>		<b>20.870</b>
Delayed spending from 2013/14	0.227	
<b>Updated Budget</b>		<b>21.097</b>
<b>Services</b>		
Corporate & Directors	(0.358)	
Resources & Corporate Finance	(0.045)	
Customer Services	(0.932)	
Operations	(0.805)	
Development	(0.595)	
Community	(0.422)	
Health & Leisure	0.073	
		<b>(3.083)</b>
Recharges outside revenue	0.157	
<b>Provisional Outturn as at March 2015</b>	<b>(2.699)</b>	<b>18.171</b>

- 3.8 Appendix 1 shows by service, the variation between the provisional outturn against: the original budget approved in February 2014, and the February forecast. Commentary is provided on variances greater than £75,000.

### Variation in Funding

- 3.9 2014/15 was the second year of the new localised Retained Business Rates scheme which has been a significant change in Central Government funding. The new Business Rates scheme introduced a more complex accounting regime that required changes to how funding was to be calculated, some of which were not recognised in the 2014/15 budget setting process. These variations were confirmed in May 2015 with the completion of the central government "NDR 3" return. A number of factors have contributed to this funding variation not being forecast during the year, steps are now being undertaken to remedy this.
- 3.10 Table 3 below shows the variances between Central Government funding in the original budget that was approved in February 2014 and the provisional outturn.

<b>Table 3</b>			
<b>Central Government Funding 2014/15</b>	<b>Budget</b>	<b>Actual</b>	<b>Variation</b>
	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Retained Business Rates	4.218	6.140	(1.922)
New Homes Bonus	3.344	3.358	(0.014)
RSG	4.562	4.563	(0.001)
Council Tax Freeze Grant	0.082	0.082	0.000
Council Tax Collection Fund	0.021	0.101	(0.080)
<b>Total</b>	<b>12.227</b>	<b>14.244</b>	<b>(2.017)</b>

- 3.11 Further analysis on the variations to the funding is detailed below:

### Retained Business Rates

£4.218m was included in the original budget for Retained Business Rates and this was based on the 2013/14 forecast with inflation. The actual Retained Business Rates received was £6.140m, creating additional funding of £1.922m of which £0.660m was identified during the year. The remaining £1.262m comprises of:

- £0.493m additional Retained Business Rates
- £0.769m reliefs and Section 31 grants.

These adjustments arose from the implementation of the new localised Business Rates scheme. The payments received in 2014/15 are taken from the "NDR 1" return which was completed after the budget had been set. Government policy also allows for additional new burdens, which were not budgeted for in 2014/15.

### New Homes bonus

The New Homes Bonus was budgeted at £3.344m. This was received but Central Government distributed additional New Homes Bonus funding, of which Huntingdonshire's share was a marginal increase of £13,640.

### RSG and Council Tax Freeze Grant

The original budget for RSG (£4.562m) and Council Tax Freeze Grant (£82,000) were received as planned.

### Council Tax Collection Fund

At the time the 2014/15 budget was compiled, it was estimated that the surplus on the Council Tax collection fund would be £21,000, the actual surplus paid during the year was £101,000.

## **Use of Reserves**

### **General Fund Reserve**

- 3.12 For the 2014/15 budget, the movement in the General Fund balance was estimated to be as follows:

	<b>£m</b>
31st March 2014:	10.032
Contribution from Reserves:	(1.005)
31st March 2015:	9.027

- 3.13 However, the actual opening general fund balance was £8.684m. As noted earlier, the provisional revenue outturn is indicating a surplus of £3.711m, of which £0.122m will be allocated to the General Fund balance and the balance of £3.589m allocated to Earmarked Reserves.

### **Earmarked Reserves**

- 3.14 With the Council's commitment to improving its financial resilience, it is proposed that the £3.589m noted above is transferred to earmarked reserves. Table 4 below shows the existing earmarked reserves as at 31<sup>st</sup> March 2014 with the proposed additions. The remaining movements will be finalised during the accounts closure process.

<b>Table 4</b>	<b>Opening Balance at 01.04.14</b>	<b>Service Additions 2014/15</b>	<b>TCA Provisional Additions 2014/15</b>	<b>Provisional Balance at 31.03.15</b>
<b>Earmarked Reserve Summary</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Section 106 agreements	(1.7)			(1.7)
Commuted S106 payments	(1.1)			(1.1)
Repairs and Renewals	(1.2)			(1.2)
Delayed projects	(0.2)	(0.3)		(0.5)
Collection Fund	(2.7)			(2.7)
Capital Investment	(2.0)			(2.0)
Special Reserve	(2.5)			(2.5)
Other reserve	(0.6)			(0.6)
<b>NEW – Alconbury &amp; Molesworth</b>		(0.1)		(0.1)
<b>NEW – Chequers Court Development</b>		(0.5)		(0.5)
<b>NEW – Commercial Investment Strategy</b>		(2.7)		(2.7)
<b>NEW - TCA Funding for Shared Service</b>			(0.4)	(0.4)
<b>Total</b>	<b>(12.0)</b>	<b>(3.6)</b>	<b>(0.4)</b>	<b>(16.0)</b>

- An “Alconbury & Molesworth Support and Challenge reserve” to be established to support these communities during the transition period when the USAF closes these bases. (Approved by Cabinet 12<sup>th</sup> February 2015, Minute no.69).
- “Chequers Court Development reserve” to be established to mitigate the risk of any shortfall in external contributions as recommended in the Leisure St Ives/Multi-Storey Car Park Project closure report. (Overview & Scrutiny Project Development Select Committee).
- The carry forward reserve for specific and approved carry forwards approved by the Head of Resources into the 2015/16 budget.
- TCA funding received for the shared service partnership with South Cambridgeshire and Cambridge City Councils needs to be moved to an earmarked reserve as per regulations.
- A “Commercial Investment Strategy reserve” is established which will provide a source of funding for the development of the Councils Commercial Investment Strategy which starting the Councils commitment to removing the New Homes Bonus from its core funding stream.

### **Provisional Capital Outturn compared to the Updated Budget**

- 3.11 The provisional capital outturn for 31<sup>st</sup> March 2015 is £2.999m; this takes into account all known cash adjustments. At the time of writing this report, it is not expected that there will be any further accounting adjustments that will affect the provisional outturn. However, if such adjustments are required these will be reported at the final outturn stage.
- 3.15 The original 2014/15 Capital programme was £4.623m; however a reduction of £3.080m was approved in February 2015 as part of the 2015/16 budget process, giving an Updated Budget of £3.488m. Considering the aforementioned provisional capital outturn, the net impact is that expenditure is £0.489 less than the Updated Budget. The table below summarises the main variations, a more detailed analysis is shown in Appendix 2. Commentary is provided on variances greater than £25,000.

<b>Table 5</b>		
<b>2014/15 Capital Programme Summary</b>		
	<b>£ m</b>	<b>£ m</b>
Original Approved Capital Programme	4.623	
Approved Slippage from 2013/14	1.945	
February 2015 Approved Changes	(3.080)	
<b>Updated Capital Programme</b>		<b>3.488</b>
<b>Provisional Capital Outturn</b>		2.999
<b>Variation Provision Outturn Against Updated Budget</b>		<b>(0.489)</b>
<b>Variances:</b>		
Overspend	0.012	
Underspend	(0.617)	
Unused Budget	(0.194)	
Cancelled Scheme	(0.121)	
Delayed to 2015/16	0.271	
Revenue expenditure on Capital projects	0.160	
		<b>(0.489)</b>
<b>Financing of Provisional Capital Outturn</b>		
External Borrowing	0	
Capital Receipts	0.877	
Capital Grants Unapplied Reserve	0	
		<b>0.877</b>
Minimum Revenue Provision		1.331
Working Capital		0.791
<b>Total Financing</b>		<b>2.999</b>

### **Proposed Use of Unused Capital Resources**

- 3.16 Of the £0.489m unused capital programme, it is proposed that £0.271m is transferred to the 2015/16 programme for projects that have been committed but due to timing delays have not been completed in the financial year as detailed in Table 6 below.

<b>Table 6</b>		
<b>2014/15 Carry forward to 2015/16 Capital Programme</b>		
	<b>£</b>	<b>Narrative</b>
<b>Resources</b>		
Vat Exempt Capital	(9,000)	VAT due as a result of the Capital projects below
<b>Customer Services</b>		
Business Systems General	(13,000)	New router for Pathfinder House committed.
<b>Operations</b>		
Bldg Efficiency -Salix Funding	(65,000)	Delayed due to procurement complications for the installation of an air unit at One Leisure Huntingdon.
Environment Strategy	(30,000)	Delay in the Loves Farm Community Centre of which £30,000 had been allocated to energy efficiency modifications.
Pathfinder House Site	300,000	Delay in the sale of land outside Pathfinder House
Hdon Town C Extra Car Parking	500,000	Delayed Developer contribution receipt now expected early 2015/16.
Car Park Improvements	(25,000)	The scheme was revised towards the end of the year which has delayed the start of the works.
<b>Development</b>		
Huntingdn West Development	(58,000)	County's final contribution is outstanding, expected to be paid in 2015/16.
Housing Private Sector Grants	(45,000)	Commitments made but staffing issues at Cambs HIA delayed the progress on some cases.
Disabled Facilities Grants	(145,000)	As above
<b>Community</b>		
Cctv Shared Service-Contro Rm	(2,000)	Replacement of kit delayed.
<b>Health &amp; Leisure</b>		
St Ivo Leisure Centre Redevelopment	(60,000)	Retention on the redevelopment yet to be finalised.
Leisure Centres - Future Mttce	(74,000)	Works delayed due to late inspection reports.
<b>Total Carry forward to 2015/16</b>	<b>274,000</b>	

#### **4. COMMENTS OF OVERVIEW & SCRUTINY**

4.1 To be included after the meeting on the 4<sup>th</sup> June 2015.

#### **5. LEGAL IMPLICATIONS**

5.1 No direct, material legal implications arise out of this report.

#### **6. RESOURCE IMPLICATIONS**

6.1 The resource implications are noted within this report.

#### **LIST OF APPENDICES INCLUDED**

Appendix 1 - Revenue Variance Analysis  
Appendix 2 - Capital Variance Analysis

#### **BACKGROUND PAPERS**

Working papers in Resources.

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## Appendix 1 Revenue Variance Analysis

	Original Budget £ 000 A	Updated Budget £ 000 B	February 2015 Reported Forecast Outturn £ 000 C	Provisional Outturn at 31st March 2015 £ 000 D	Variation of Provisional Outturn to Original Budget £ 000 (D - A)	Variation of Provisional Outturn to February Forecast £ 000 (D - C) Narrative
<b>Corporate &amp; Directors</b>						
Corporate Office	784	1,433	1,381	1,177	392	(204) <b>HoS &amp; Corp Directors</b> - salary forecast not adjusted for later start dates, saving of £74,000. <b>Corporate Team</b> - vacancy savings of £60,000 used to fund redundancy costs included in Corporate Finance. TIC Kiosks were not replaced, saving £30,000.
Democratic Services	494	796	773	721	227	(53)
Managing Director	186	182	182	205	19	23
Non Distributed Costs	204	204	190	190	(15)	(1)
Human Resources	589	588	571	553	(35)	(17)
	<u>2,257</u>	<u>3,203</u>	<u>3,097</u>	<u>2,845</u>	<u>588</u>	<u>(252)</u>
<b>Resources</b>						
Commercial Estates	(1,594)	(1,489)	(1,412)	(1,365)	229	47
Legal Services	1,044	318	308	293	(751)	(15)
Procurement Services	57	63	65	62	6	(3)
Internal Audit	625	626	595	531	(94)	(64)
Finance	764	761	613	635	(129)	21
Corporate Finance	<u>3,382</u>	<u>2,762</u>	<u>2,549</u>	<u>2,840</u>	<u>(542)</u>	<u>291</u> <b>Council wide</b> - Redundancy and early retirements costs £269,000 as mentioned above.
	<u>4,279</u>	<u>3,042</u>	<u>2,719</u>	<u>2,997</u>	<u>(1,282)</u>	<u>278</u>

	Original Budget £ 000 A	Updated Budget £ 000 B	February 2015 Reported Forecast Outturn £ 000 C	Provisional Outturn at 31st March 2015 £ 000 D	Variation of Provisional Outturn to Original Budget £ 000 (D - A)	Variation of Provisional Outturn to February Forecast £ 000 (D - C)	Narrative
<b>Customer Services</b>							
Customer Services	1,062	1,140	990	928	(134)	(61)	
Document Centre Information Management	479	473	478	464	(15)	(14)	
	1,800	1,729	1,524	1,446	(354)	(78)	IMD - delayed delivery of Council Website and develop flexible working technologies, carry forward to 2015/16 approved for £48,000.
Housing Needs & Resources	291	291	234	231	(60)	(3)	
Benefits	(867)	(813)	(1,023)	(1,084)	(217)	(61)	
Local Taxation	(586)	(587)	(529)	(548)	38	(19)	
Management Units	2,755	2,859	2,766	2,722	(33)	(43)	
	4,935	5,092	4,439	4,160	(775)	(280)	
<b>Operations</b>							
Facilities Management	1,085	1,092	1,036	935	(151)	(101)	<b>Pathfinder House</b> - Utilities saving of £16,000, 3rd floor alterations delayed £32,000 and cleaning contract salaries saving of £34,000.
Environment Management	229	210	223	222	(7)	(2)	
Green Spaces	1,049	1,070	1,036	1,032	(17)	(4)	
Streetscene	(1,238)	(1,227)	(1,261)	(1,372)	(135)	(111)	<b>Carparks</b> - additional income than expected
Waste & Street cleansing Operations Management	3,367	3,324	3,068	2,889	(478)	(179)	<b>Trade waste</b> - additional income of £35,000 <b>Refuse and street cleaning</b> - staff vacancies in year
	962	883	907	841	(121)	(66)	
	5,455	5,351	5,008	4,546	(908)	(462)	

	Original Budget £ 000 A	Updated Budget £ 000 B	February 2015 Reported Forecast Outturn £ 000 C	Provisional Outturn at 31st March 2015 £ 000 D	Variation of Provisional Outturn to Original Budget £ 000 (D - A)	Variation of Provisional Outturn to February Forecast £ 000 (D - C)	Narrative
<b>Development</b>							
Planning Policy	457	488	239	218	(238)	(20)	
Development Control	(1,163)	(1,139)	(1,139)	(1,025)	138	114	<b>Applications</b> - fee income lower in February and March than budgeted. <b>CIL</b> - lower receipts and reduced CIL contributions.
Building Control	(4)	17	(72)	(62)	(58)	11	
Economic	96	218	231	191	96	(40)	
Development							
Transport	114	114	114	95	(19)	(19)	
Housing Policy	31	32	(7)	(0)	(31)	7	
Management Units	2,254	2,133	1,847	1,851	(404)	3	
	<u>1,785</u>	<u>1,863</u>	<u>1,213</u>	<u>1,268</u>	<u>(517)</u>	<u>55</u>	
<b>Community</b>							
C C T V	141	155	287	288	148	2	
Licencing	(286)	(129)	(143)	(188)	99	(44)	
Environmental Health	1,272	1,204	1,034	934	(338)	(100)	<b>Environmental Services</b> - additional salary savings of £9,000 as well as other savings on supplies & services and training. <b>Public Health</b> - Equipment maintenance savings of £13,000 and smaller underspends
Community Safety	663	659	605	606	(57)	1	
Projects And Assets	1,007	1,020	896	847	(161)	(50)	
	<u>2,796</u>	<u>2,908</u>	<u>2,678</u>	<u>2,487</u>	<u>(310)</u>	<u>(192)</u>	
				0			

	Original Budget £ 000 A	Updated Budget £ 000 B	February 2015 Reported Forecast Outturn £ 000 C	Provisional Outturn at 31st March 2015 £ 000 D	Variation of Provisional Outturn to Original Budget £ 000 (D - A)	Variation of Provisional Outturn to February Forecast £ 000 (D - C)	Narrative
<b>Health &amp; Leisure</b>							
Sports and Active Lifestyles	181	280	280	259	77	(21)	
Leisure Centres	(209)	(34)	123	61	269	(62)	
	(27)	246	403	320	347	(84)	
Recharges outside Revenue	(609)	(609)	(415)	(452)	157	(37)	
<b>Total</b>	<b>20,870</b>	<b>21,097</b>	<b>19,143</b>	<b>18,171</b>	<b>(2,699)</b>	<b>(972)</b>	
<b>Definition:</b>							
<b>A - Original Budget</b>	The Budget that was approved by Council in February 2014.						
<b>B - Updated Budget</b>	The original budget including approved carry forwards from 2013/14.						
<b>C - February Forecast</b>	The estimated year end position including known variances.						
<b>D - Provisional Outturn</b>	The provisional year end position which includes all cash movement but may not include all statutory and reserve adjustments.						

## Appendix 2 Capital Variance Analysis

	Original Budget	Updated Budget (with slippage)	Updated Budget (Feb 2015)	Provisional Outturn	Variation to Updated budget	Narrative
	£ 000	£ 000	£ 000	£ 000	£ 000	
	A	B	C	D	(D - C)	
<b>Resources</b>						
Highlode Ramsey	0	263	0	0	0	
Capital Holding Ac	50	50	0	0	0	
Vat Exempt Capital	27	31	29	0	(29)	This budget is allocated within the the necessary projects below.
	<u>77</u>	<u>344</u>	<u>29</u>	<u>0</u>	<u>(29)</u>	
<b>Customer Services</b>						
Multi-Functional Devices	80	80	0	0	0	
Document Centre Equipment	0	45	0	0	0	
Printing Equipment	33	1	10	8	(2)	
ICT Virtualisation	132	303	232	311	79	The overspend is due to revenue to capital transfers.
<b>Business Systems General includes:</b>						
Business Systems General	200	224	130	49	(81)	The following budgets are related to the Business Systems General budget. The
G I S Corporate	0	7	3	0	(3)	overall variance is an underspend of £12,000.
Uniform	0	3	0	16	16	
E-Forms	0	0	0	3	3	
Share Point Systems	0	3	0	0	0	
Council Tax Support Software	0	10	0	0	0	
Payments Hub (Business System)	0	0	0	2	2	
Mobile Apps (Business System)	0	5	0	0	0	
Housing Bens - Mobile Working	0	0	0	3	3	
Income Management (Revenues)	0	0	0	6	6	
Call Centre Replacement	0	0	0	35	35	
Community Infrastructure Levy	0	23	0	7	7	
	<u>445</u>	<u>704</u>	<u>375</u>	<u>440</u>	<u>65</u>	

	Original Budget	Updated Budget (with slippage)	Updated Budget (Feb 2015)	Provisional Outturn	Variation to Updated budget	Narrative
	£ 000	£ 000	£ 000	£ 000	£ 000	
	A	B	C	D	(D - C)	
<b>Operations</b>						
Bldg Efficiency -Salix Funding	50	33	70	5	(65)	The project to replace a air handing unit at One Leisure Huntingdon exceeded the tender price due a complicated installation requirement.
Environment Strategy	105	125	126	41	(85)	£30,000 for energy efficiency modifications at Loves Farm Community Centre has been delayed. The remaining budget has not been spent because RE-FIT (the energy use reduction procurement initiative) are reviewing which packages of schemes will provide the best payback.
Sustainable Homes Retrofit	0	0	(205)	(210)	(5)	
Pathfinder House Site	(250)	(250)	(300)	0	300	Sale of land at St Marys Street has been delayed.
Car Park Improvements	151	151	151	5	(146)	Resurfacing of Tebbuts Road car park has been revised, delayed to 2015/16.
Hdon Town C Extra Car Parking	(500)	(317)	(267)	242	509	Developer contribution receipt of £0.5m delayed to 2015-16.
Recycling Kerbside Collection	297	379	379	99	(280)	Budget reviewed in 14/15 and discovered to be vastly overstated
Refuse/Green Waste Collection	0	21	0	0	0	
Vehicles & Plant	1,079	1,566	1,056	801	(255)	Prolonged life of current vehicles to delay expenditure.
Pool Vehicles	0	20	16	16	(0)	
In Cab Technology	0	70	70	0	(70)	Bottle neck in software development, slipped into 2015/16
Play Equipment	40	63	43	43	(0)	
Play Equipment - Section 106	47	48	0	(1)	(1)	
	<u>1,019</u>	<u>1,909</u>	<u>1,139</u>	<u>1,041</u>	<u>(98)</u>	
<b>Development</b>						
Huntingdn West Developmt (Hgf)	941	1,227	298	240	(58)	A final contribution to the County Council remains outstanding, payment expected 2015-16.
Housing Private Sector Grants	75	125	93	47	(46)	Commitments made but staffing issues at Cambs HIA delayed the progress on some cases.
Disabled Facilities Grants	1,450	1,300	1,000	855	(145)	Commitments made but staffing issues at Cambs HIA delayed the progress on some cases.
Decent Homes Cat 1 Hazards	10	10	10	2	(8)	
MHP Replacement Static Caravan	0	30	38	50	12	
	<u>2,476</u>	<u>2,692</u>	<u>1,439</u>	<u>1,194</u>	<u>(245)</u>	

	Original Budget	Updated Budget (with slippage)	Updated Budget (Feb 2015)	Provisional Outturn	Variation to Updated budget	Narrative
	£ 000	£ 000	£ 000	£ 000	£ 000	
	A	B	C	D	(D - C)	
<b>Community</b>						
CCTV - Camera Replacements	45	81	39	40	1	
CCTV - Wireless	0	290	0	0	0	
Cctv Shared Service-Contro Rm	2	2	2	0	(2)	
Loves Farm Community Centre	37	29	29	30	1	
	<u>84</u>	<u>401</u>	<u>70</u>	<u>70</u>	<u>(0)</u>	
<b>Health &amp; Leisure</b>						
Pedals Scheme Equipment	0	11	2	2	(0)	
Replacement Fitness Equipment	200	200	0	0	0	
St Ives Leisure Centre Redevelopment	0	0	166	109	(57)	This scheme has been the subject of a full report to Cabinet and all variations have been explained in that report.
<b>Leisure Centres Maintenance includes:</b>						
St Ives - Indoor	0	0	0	52	52	New process for approving works has meant that some planned work has been
St Ives -Outdoor	0	0	0	13	13	deferred because it still has useful life left in it.
Huntingdon	0	0	0	50	50	
St Neots	0	0	0	12	12	
Ramsey	0	0	0	7	7	
Sawtry	0	0	0	7	7	
	<u>200</u>	<u>211</u>	<u>168</u>	<u>253</u>	<u>85</u>	
<b>Total</b>	<b>4,301</b>	<b>6,261</b>	<b>3,220</b>	<b>2,998</b>	<b>(222)</b>	
<b>Definition:</b>						
<b>A - Original Budget</b>	The budget that was approved by Council in February 2014.					
<b>B - Updated Budget</b>	The original budget including approved carry forwards from 2013/14.					
<b>C - Updated Budget (February 2015)</b>	The 2014/15 programme was revised during the 2015/16 budget process.					
<b>D - Provisional Outturn</b>	The provisional year end position which includes all cash movement but may not include all statutory and reserve adjustments.					

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**Public  
Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Treasury Management Annual Report 2014/15
<b>Meeting/Date:</b>	Overview & Scrutiny Economic – 4 <sup>th</sup> June 2015 Cabinet – 18 <sup>th</sup> June 2015
<b>Executive Portfolio:</b>	Resources: Councillor J A Gray
<b>Report by:</b>	Head of Resources
<b>Ward(s) affected:</b>	All Wards

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### **Executive Summary:**

The Council's Treasury Management processes are underpinned by CIPFA's Code of Practice on Treasury Management, the Code requires the Council to produce an annual Treasury Management Strategy, for 2014/15 this was approved by Council on the 13th February 2014. The code of practice also recommends that members are informed of treasury management activity at least twice a year; the first report, the 2014/15 mid-year report was reported to Cabinet on the 20th November 2014 and this is the second of the two reports.

The Council will during the course of its normal business borrow and invest substantial sums of money, and as a consequence is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

The identification and monitoring of these risks are central to the Council's Treasury Management Strategy. The main points of the Treasury Management Strategy are;

- Ensuring the Council has sufficient cash to meet its day to day obligations.
- Borrowing when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Investing surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

Throughout 2014/15 there has been a moderate reduction in the credit rating of financial institutions, in order to mitigate the risk from this the Council has mainly invested on a short-term basis, with significant use made of call accounts, where access to funds is instant. Borrowing has also been made mainly on a short-term basis.

The Council's banker, NatWest was downgraded in March 2014 and as a consequence was removed from the counterparty list. NatWest will not be used for investments but will continue to be used for operational banking requirements.

The average interest rate paid for borrowing was 3.24%, and the average interest rate received for investing was 1.20%.

**Recommendation(s):**

- That Cabinet comment on the 2014/15 Treasury Management performance.

## 1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 Council approves the Treasury Management Strategy for the coming year when it approves the Budget and the Medium Term Financial Strategy (MTFS) each February. It also receives a mid-year report and an annual report after the end of the financial year. The Strategy is scrutinised by the Overview & Scrutiny: Economic Panel.

## 2. BACKGROUND

- 2.1 This report covers treasury activity and the associated monitoring and control of risk.

- 2.2 The key points in the 2014/15 Strategy were:

- Ensuring the Council has sufficient cash to meet its day to day obligations.
- Borrowing when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Investing surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

### Economic Review

- 2.3 An economic review of the year has been provided by our Treasury Management advisors, Arlingclose and is attached in Appendix A.

### Performance of Funds

- 2.4 The following table summarises the treasury management transactions undertaken during the 2014/15 financial year and the details of the investments and loans held as at 31st March 2015 are shown in detail in Appendix B.

	Principal Amount £m	Interest Rate %
<b>Investments</b>		
at 31 <sup>st</sup> March 2014	3.5	1.74
<b>less</b> matured in year	-189.1	
<b>plus</b> arranged in year	+189.5	
at 31 <sup>st</sup> March 2015	3.9	0.38
<b>Average Investments</b>	<b>7.9</b>	<b>1.20</b>
<b>Borrowing</b>		
at 31 <sup>st</sup> March 2014	17.4	2.55
<b>less</b> repaid in year	-25.1	
<b>plus</b> arranged in year	+19.0	
at 31 <sup>st</sup> March 2015	11.3	3.73
<b>Average Borrowing</b>	<b>13.1</b>	<b>3.24</b>

- 2.5 The average rate of interest on all investments was 1.20%, 0.85% above the 7-day benchmark rate of 0.35%, this represents a return of over three times the bench-mark rate. This good performance was due to £1.4m of the investments being locked into higher rates before the year started together

with the use of liquidity accounts with major banks and Money Market Funds which gave the added safety of instant access together with interest rates in excess of the benchmark.

- 2.6 If only short-term cash flow investment activity is considered, the rate of interest on investments was 0.46%, which is around 30% higher than the 7-day benchmark rate of 0.35%.
- 2.7 The Council's exposure to interest rate risk at the end of the year was:
- £11.3m long term borrowing from the PWLB, at a weighted average rate of 3.71%.
  - Short term borrowing at 31 March 2015 was nil.
- 2.8 The actual net investment interest payable (after deduction of interest receivable on loans) was £331,000. This is a saving of £13,000 against the original budget. This is mainly due to higher than expected reserves reducing the need to borrow externally, because use can be made of internal funds.

### **Strategy - Borrowing**

- 2.9 **Long-term borrowing.** The strategy allowed for 'must borrow' to finance that part of the capital programme that could not be met from internal funds. There was also a provision for 'may borrow' which allowed borrowing in anticipation of need, based on whether longer term rates seemed low compared with future likely levels. Short-term borrowing rates were very low, as a result short-term borrowing and internal borrowing was used for funding.
- 2.10 **Short-term borrowing.** The Authority needed to borrow short-term during the year to manage its cash flow; it averaged £1.8m per day.

### **Strategy - Investments**

- 2.11 The Council's strategy for 2014/15 was based on all investments being managed in-house. The investments were of three types:
- Time deposits
  - Liquidity (call) accounts (with banks with a high credit rating and the top 25 building societies by asset value)
  - Money Market Funds
- 2.12 In March 2014 the long-term rating of both the Royal Bank of Scotland and NatWest Bank were downgraded to Baa1. This rating is below the Council's minimum investment credit criterion of AA-, as a consequence, following advice from ArlingClose, the council's treasury management advisors, the bank was withdrawn from the Council's counterparty list for investment purposes. The NatWest bank will continue to be used for operational banking purposes (cash flow and day-to-day banking) but not for investments. All bank accounts held with NatWest are maintained at or as close to zero as day to banking processes allow.
- 2.13 The strategy includes limits on the size of investments with each organisation and country limits. The limits are shown in Annex C.
- 2.14 The strategy was reviewed during the course of the year and the mid-year report was reported to Cabinet on the 20th November 2014.

## **Risk Management**

- 2.15 The Council's primary objectives for the management of its investments are to give priority to the security and liquidity of its funds before seeking the best rate of return.
- 2.16 **Security** is managed by investing short-term with highly-rated banks, building societies and local authorities in the UK. The Authority received regular updates from its advisors, Arlingclose, sometimes daily, on changes to the credit rating of counterparties. This allowed the Council to amend its counterparty list and not invest where there is concern about the credit rating.
- 2.17 **Liquidity.** The majority of the Council's invested funds have been held in liquidity accounts or Money Market Funds, which have a rate of interest above base rate and provide instant access to funds.
- 2.18 **Cash Flow.** Overall, liquidity was managed by producing daily cash flow forecasts that help set the limit on the duration of the investments in time deposits. The projections turned out to be cautious which sometimes resulted in funds being available before they were needed with any surplus being invested on a temporary basis.
- 2.19 **Return on investments.** Security and liquidity took precedence over the return on investments, which resulted in investments during 2014/15 generally being of short duration due to the benefit of good rates on liquidity and growing concerns over the credit rating of counterparties. With the Bank of England base rate being set at historically low levels, the rates of return available from the market are consequently also low.

## **Compliance with Regulations and Codes**

- 2.20 All the treasury management activity undertaken during the financial year complied with the approved strategy, the CIPFA Code of Practice, and relevant legislation.
- 2.21 The Code requires the Council to approve both Treasury Management and Prudential Indicators. Those for 2014/15 were approved at the Council meeting on 26<sup>th</sup> February 2014. Annex D shows the relevant prudential indicators and the actual results.

## **3. OPTIONS CONSIDERED/ANALYSIS**

- 3.1 Option analysis was not considered for this report.

## **4. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

- 4.1 This report is to be considered at the meeting held on the 4<sup>th</sup> of June 2015.

## **5. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?**

- 5.1 The risks arising from treasury management activities are highlighted in the report and are measured by reference to the prudential indicators in appendix D.

## **6. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

6.1 Treasury management activities will continue to be monitored, in order to mitigate security and liquidity risks.

## **7. LINK TO THE CORPORATE PLAN**

7.1 Treasury management activities have contributed to local community by the advancing of loans to two local organisations, and by ensuring that funds are available to continue to provide council services.

## **8. CONSULTATION**

8.1 No consultation has taken place.

## **9. LEGAL IMPLICATIONS**

9.1 No direct, material legal implications arise out of this report.

## **10. RESOURCE IMPLICATIONS**

10.1 The resource implications are explained within this report.

## **11. OTHER IMPLICATIONS**

11.1 No other implications are expected to arise from this report.

## **12. REASONS FOR THE RECOMMENDED DECISIONS**

12.1 The treasury management activity continues to be monitored, to ensure that risk arising are mitigated.

## **13. LIST OF APPENDICES INCLUDED**

Appendix A – Economic review prepared by Arlingclose  
Appendix B – Borrowing and investments as at 31<sup>st</sup> March 2015  
Appendix C – In House Fund Management  
Appendix D – CIPFA Prudential Indicators

## **BACKGROUND PAPERS**

Working papers in Resources  
CIPFA Treasury Management Code of Practice

## **CONTACT OFFICERS**

Clive Mason, Head of Resources  
( 01480 388157

Rebecca Maxwell, Accountancy Manager  
( 01480 388117

## APPENDIX A

### ECONOMIC REVIEW OF 2014/15 PROVIDED BY ARLINGCLOSE

- 1.1 Growth:** The robust pace of GDP growth of 3% in 2014 was underpinned by a buoyant services sector, supplemented by positive contributions from the production and construction sectors. Resurgent house prices, improved consumer confidence and healthy retail sales added to the positive outlook for the UK economy given the important role of the consumer in economic activity.
- 1.2 Inflation:** Annual CPI inflation fell to zero for the year to March 2015, down from 1.6% a year earlier. The key driver was the fall in the oil price (which fell to \$44.35 a barrel a level not seen since March 2009) and a steep drop in wholesale energy prices with extra downward momentum coming from supermarket competition resulting in lower food prices. Bank of England Governor Mark Carney wrote an open letter to the Chancellor in February, explaining that the Bank expected CPI to temporarily turn negative but rebound around the end of 2015 as the lower prices dropped out of the annual rate calculation.
- 1.3 Labour Market:** The UK labour market continued to improve and remains resilient across a broad base of measures including real rates of wage growth. January 2015 showed a headline employment rate of 73.3%, while the rate of unemployment fell to 5.7% from 7.2% a year earlier. Comparing the three months to January 2015 with a year earlier, employee pay increased by 1.8% including bonuses and by 1.6% excluding bonuses.
- 1.4 UK Monetary Policy:** The Bank of England's MPC maintained interest rates at 0.5% and asset purchases (QE) at £375bn. Its members held a wide range of views on the response to zero CPI inflation, but just as the MPC was prepared to look past the temporary spikes in inflation to nearly 5% a few years ago, they felt it appropriate not to get panicked into response to the current low rate of inflation. The minutes of the MPC meetings reiterated the Committee's stance that the economic headwinds for the UK economy and the legacy of the financial crisis meant that increases in the Bank Rate would be gradual and limited, and below average historical levels.
- 1.5 UK Political Environment:** Political uncertainty had a large bearing on market confidence this year. The possibility of Scottish independence was of concern to the financial markets, however this dissipated following the outcome of September's referendum. The risk of upheaval (the pledge to devolve extensive new powers to the Scottish parliament; English MPs in turn demanding separate laws for England) lingers on. The highly politicised March Budget heralded the start of a closely contested general election campaign and markets braced for yet another hung parliament.
- 1.6 The Eurozone Political:** On the continent, the European Central Bank lowered its official benchmark interest rate from 0.15% to 0.05% in September and the rate paid on commercial bank balances held with it was from -0.10% to -0.20%. The much-anticipated quantitative easing, which will expand the ECB's balance sheet by €1.1 trillion was finally announced by the central bank at its January meeting in an effort to steer the euro area away from deflation and invigorate its moribund economies. The size was at the high end of market expectations and it will involve buying €60bn of sovereign bonds, asset-backed securities and covered bonds a month commencing March 2015 through to September 2016.

The possibility of a Greek exit from the Eurozone refused to subside given the clear frustrations that remained between its new government and its creditors.

- 1.7 The US Economy:** The US economy rebounded strongly in 2014, employment growth was robust and there were early signs of wage pressures building, albeit from a low level. The Federal Reserve made no change to US policy rates. The central bank however continued with ‘tapering’, i.e. a reduction in asset purchases by \$10 billion per month, and ended them altogether in October 2014. With the US economy resilient enough the weather the weakness of key trading partners and a strong US dollar, in March 2015 the Fed removed the word “patient” from its statement accompanying its rates decisions, effectively leaving the door open for a rise in rates later in the year.
- 1.8 Market reaction:** From July, gilt yields were driven lower by a combination of factors: geo-political risks emanating from the Middle East and Ukraine, the slide towards deflation within the Eurozone and the big slide in the price of oil and its transmission through into lower prices globally. 5-, 10- and 20-year gilt yields fell to their lows in January (0.88%, 1.33% and 1.86% respectively) before ending the year higher at 1.19%, 1.57% and 2.14% respectively.



## APPENDIX B

### BORROWING AND INVESTMENTS AT 31 MARCH 2015

	Short-term Rating		Date Invested/ Borrowed	Amount		Interest Rate	Year of Maturity
	Fitch	Moody's		£m	£m		
<b>Borrowing</b>							
<b>Short-term</b>							
NIL							
<b>Long-term</b>							
PWLB			07/08/13	1.296		2.24%	2023/24
PWLB			19/12/08	5.000		3.91%	2057/58
PWLB			19/12/08	5.000		3.90%	2058/59
					<b>11.296</b>		
<b>Total Borrowing</b>					<b>11.296</b>		
<b>Investments In-House</b>							
<b>Investments</b>							
NatWest Liquidity	F1	P2		0.079m		0.25%	On-call
Cambridge Building Society	Not rated			0.100m		0.50%	On-call
Santander	F1	P1		0.100m		0.50%	On-call
Blackrock	AAAmf			1.120m		0.46%	On-call
Handelsbanken				0.435m		0.30%	On-call
Barclays				0.255m		0.45%	On-call
Public Sector Deposit Fund	AAAmf			0.650m		0.33%	On-call
<b>Total Investments</b>					<b>2.534</b>		
<b>Loans</b>							
Alconbury Parish Council	Not rated			0.006m		0.50%	2016/17
Huntingdon Regional College	Not rated			1.305m		3.34%	2023/24
Huntingdon Gym	Not rated			0.064m		5.13%	2023/24
<b>Total Loans</b>					<b>1.375</b>		
<b>Total Investments</b>					<b>3.909</b>		
<b>Net Borrowing</b>					<b>7.387</b>		

APPENDIX C

IN-HOUSE FUND MANAGEMENT (IF NO FURTHER ADVANCE BORROWING)

<b>Duration of investments</b>	No investment shall be longer than 5 years. Maximum duration for a Building Society with no rating is 1 month.																
<b>Types of investments</b>	Fixed term Deposits Deposits at call, two or seven day notice Corporate bonds Money market funds UK Government bonds and Supranational Bank bonds Loans to Organisations Pooled Property Funds																
<b>Credit Ratings</b>	<p><b>Building Societies</b> All Building Societies with ratings of BBB or above. Building Societies with no ratings. (maximum duration 1 month)</p> <p><b>Money Market Funds</b> AAA credit rating <b>Pooled Property Funds</b> (such funds are not credit rated as they are investments in non-liquid assets)</p> <p><b>Local Authorities or UK Government</b> No rating required</p> <p><b>Non-Building Societies</b> Short term rating F1 by Fitch or equivalent. Long-term rating of AA- by Fitch or equivalent if the investment is longer than 1 year.</p> <p><b>Loans to Organisations</b> These will not require a specific credit rating but will be subject to individual approval by Cabinet.</p>																
<b>Maximum limits per counterparty (group), country or non-specified category</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">F1+ or have a legal position that guarantees repayment for the period of the investment</td> <td style="text-align: right; vertical-align: top;">£5m</td> </tr> <tr> <td>F1</td> <td style="text-align: right;">£4m</td> </tr> <tr> <td>Building Society with assets over £2bn in top 25 (Currently 10)</td> <td style="text-align: right;">£5m</td> </tr> <tr> <td>Building Society with assets over £1bn if in top 25 (Currently 3)</td> <td style="text-align: right;">£4m</td> </tr> <tr> <td>Building Society with assets under £1bn in top 25</td> <td style="text-align: right;">£3m</td> </tr> <tr> <td>Liquidity (Call) Account with a credit rating of F2 or with a legal position that guarantees repayment or a Building Society.</td> <td style="text-align: right;">£5m</td> </tr> <tr> <td>BUT total invested with counterparty/group shall not exceed</td> <td style="text-align: right;">£8m</td> </tr> <tr> <td>Money market fund AAA Credit rating</td> <td style="text-align: right;">£4m</td> </tr> </table> <p><b>Limit for Non-specified investments</b></p> <ul style="list-style-type: none"> <li>- £10m in time deposits more than one year</li> <li>- £5m in corporate bonds</li> <li>- £10m in any other types.</li> <li>- £10m Pooled Property funds</li> <li>- £15m in total</li> </ul>	F1+ or have a legal position that guarantees repayment for the period of the investment	£5m	F1	£4m	Building Society with assets over £2bn in top 25 (Currently 10)	£5m	Building Society with assets over £1bn if in top 25 (Currently 3)	£4m	Building Society with assets under £1bn in top 25	£3m	Liquidity (Call) Account with a credit rating of F2 or with a legal position that guarantees repayment or a Building Society.	£5m	BUT total invested with counterparty/group shall not exceed	£8m	Money market fund AAA Credit rating	£4m
F1+ or have a legal position that guarantees repayment for the period of the investment	£5m																
F1	£4m																
Building Society with assets over £2bn in top 25 (Currently 10)	£5m																
Building Society with assets over £1bn if in top 25 (Currently 3)	£4m																
Building Society with assets under £1bn in top 25	£3m																
Liquidity (Call) Account with a credit rating of F2 or with a legal position that guarantees repayment or a Building Society.	£5m																
BUT total invested with counterparty/group shall not exceed	£8m																
Money market fund AAA Credit rating	£4m																

	<p><b>Country limits</b></p> <ul style="list-style-type: none"> <li>- UK - unlimited</li> <li>- £5m in a country outside the EU</li> <li>- £10m in a country within the EU (excluding UK)</li> <li>- £20m in EU countries combined (excluding UK)</li> <li>- Country of Domicile for Money Market Funds – unlimited, providing the fund is AAA.</li> </ul> <p>Except for Money Market Funds, no investment will be made in country with a sovereign rating of less than AA.</p> <p>These limits will be applied when considering any new investment from 27 February 2014. Lower limits may be set during the course of the year or for later years to avoid too high a proportion of the Council's funds being with any counterparty.</p> <p><b>Loans to Organisations</b> No limit in value or period.</p>
<b>Benchmark</b>	LGC 7 day rate

## APPENDIX D

### CIPFA Prudential Indicators for Capital Finance in Local Authorities Prudential Indications and Treasury Management Indications for 2014/15 Comparison of actual results with limits

#### PRUDENTIAL MANAGEMENT INDICATORS

1. **Actual and Estimated Capital Expenditure.**

	2014/15 Estimate £000	2014/15 Actual £000
<b>Gross</b>	<b>6.3</b>	<b>7.5</b>
<b>Net</b>	<b>4.6</b>	<b>3.2</b>

2. **The proportion of the budget financed from government grants and council tax that is spent on interest and the provision for debt repayment.**

2014/15 Estimate	2014/15 Actual
<b>10%</b>	<b>8.6%</b>

3. **The impact of schemes with capital expenditure on the level of council tax.**

This item is only provided to demonstrate affordability at budget setting and has already been superseded by the equivalent figure in the 2015/16 Treasury Management Strategy indicators.

4. **The capital financing requirement.**

This represents the estimated need for the Authority to borrow to finance capital expenditure less the estimated provision for redemption of debt (the MRP) with no allowance for funding in advance.

2014/15 Estimate £m	2014/15 Actual £m
<b>40.0</b>	<b>35.5</b>

5. **Net borrowing and the capital financing requirement.**

Net external borrowing as at the 31<sup>st</sup> March 2015, was £7.4m, this is £28.1m less than the capital financing requirement. Thereby confirming that the council has not borrowed for revenue purposes other than in the short-term for cash flow purposes.

6. **The actual external long-term borrowing at 31 March 2015**

£11.3m

7. **Adoption of the CIPFA Code**

The Council has adopted the 2011 edition of the CIPFA Treasury Management Code of Practice.

## TREASURY MANAGEMENT INDICATORS

### 8. The authorised limit for external debt.

This is the maximum limit for borrowing and is based on a worst-case scenario.

	2014/15 Limit £m	2014/15 Actual £m
Short-Term	25.0	0.0
Long Term assuming maximum borrowing in advance	55.0	11.3
Other long-term liabilities (leases)	5.0	0.5
<b>Total</b>	<b>85.0</b>	<b>11.8</b>

### 9. The operational boundary for external debt.

This reflects a less extreme position. Although the figure can be exceeded without further approval, it represents an early warning monitoring device to ensure that the authorised limit (above) is not exceeded.

	2013/14 Limit £m	2013/14 Actual £m
Short-Term	20.0	0.0
Long Term	55.0	11.3
Other long-term liabilities (leases)	5.0	0.5
<b>Total</b>	<b>80.0</b>	<b>11.8</b>

Both of these actual results reflect the fact that long term rates were not considered low enough to borrow in anticipation of need

### 10. Exposure to investments with fixed interest and variable interest.

These limits are given as a percentage of total investments. Investments of less than 12 months count as variable rate.

		Limits		Actual
		Max.	Min.	As at 31.3.15
<b>Borrowing:</b>				
longer than 1 year	Fixed	100%	75%	100%
	Variable	25%	0%	0%
<b>Investments:</b>				
longer than 1 year	Fixed	100%	100%	0%
	Variable	0%	0%	0%

### 11. Borrowing Repayment Profile

The proportion of 2014/15 borrowing that matured in successive periods.

Borrowing	Upper limit	Lower limit	Actual As at 31.3.15
Under 12 months	92%	0%	0%
12 months and within 24 months	92%	0%	3%

<b>Borrowing</b>	<b>Upper limit</b>	<b>Lower limit</b>	<b>Actual As at 31.3.15</b>
24 months and within 5 years	92%	0%	4%
5 years and within 10 years	93%	1%	5%
10 years and above	100%	7%	88%

## 12. Investment Repayment Profile

Limit on the value of investments that cannot be redeemed within 364 days.

	<b>Limit £m</b>	<b>Actual £m</b>
Limit on principal invested beyond year end (31 March 2015)	32.7	0

**Public**  
**Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Disposal and Acquisition Policy: Land and Property
<b>Meeting/Date:</b>	Overview & Scrutiny (Economic Well-Being) Panel – 4 <sup>th</sup> June 2015 Cabinet – 18 <sup>th</sup> June 2015
<b>Executive Portfolio:</b>	Executive Councillor for Resources: Jonathan Gray
<b>Report by:</b>	Head of Resources: Clive Mason
<b>Ward(s) affected:</b>	All

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### **Executive Summary:**

The main purpose of the Disposal and Acquisition Policy (see Appendix 1) is to provide a framework through which the Council will be able to effectively manage its estate of land and buildings within a commercial environment.

It is considered that the current thresholds and procedures within the Constitution are too restrictive to enable a more commercial approach to management of the Council's property portfolio, and therefore a new Policy and governance model is required. The new Policy sets out the legal context, principles and governance arrangements by which the Council will dispose and acquire land and property, including new monetary thresholds. The benefits that are expected to result following the introduction of the Policy are:

- to ensure that the changing needs of service requirements are managed effectively
- the rationalisation of assets are managed effectively
- the Council is transparent in its property dealings
- there is clarity of aim and consistency of approach between Officers, Members and other interested parties

Underpinning the Policy will be the Council's Investment Strategy and Capital Programme process and a detailed Code of Practice which sets out the processes that officers will follow to gain approval for disposal or acquisition. One of the main tenets of the Policy and supporting code and governance arrangements is the embedding of commercialisation within the disposal and acquisition decision making process. So commercial decisions can be made in the most efficient way possible, it is essential that the Council can "move quickly" so it can have in place the right balance of resource so it can maximise the commercial opportunities that present themselves.

The Commercial Investment Strategy is currently being developed and an early draft is expected to be presented to members in July 2015. The Strategy will set out the proposed investment levels, risk appetite and other factors that are essential in such a strategy.

The main criteria regarding the disposal and acquisition of assets is shown below:

- What constitutes an acquisition and the statutory powers of a Council to acquire an asset.
- The process of acquiring an asset.
- Budget responsibility.
- Estates service having responsibility for all asset acquisitions.
- Appropriate performance management assessments.

**Thresholds for both Disposals and Acquisitions:**

To ensure that the decision making process is as agile as possible; it is considered that the current thresholds within the Constitution are too restrictive. Consequently it is recommended that the following thresholds will allow the Council to make decisions in a more efficient and effective way.

£0 - £500,000	Managing Director (as Head of Paid Service) & Head of Resources (as Section 151 Officer), following consultation with Executive Councillor for Resources
£500,000 - £2,000,000	Treasury and Capital Management Group
£2,000,000 +	Cabinet

**Governance:**

It is proposed that a Treasury and Capital Management Group (TCMG) will be a formally constituted sub-committee of Cabinet, including the Leader, Deputy Leader and the Executive Councillor for Resources as well as relevant members of Corporate Management Team and the Responsible Financial Officer. The primary role of TCMG will be to agree:

- Treasury Management investment decisions (including the acquisition and disposal of all types of assets)
- The Capital Programme and the undertaking of all capital development, including the approval of Business Cases.
- Comment on Treasury Management performance.
- Call officers to account in respect performance relating to capital projects.

**Resources**

The Policy itself will not have any direct financial or legal implications. However, the operation of the Policy will require adherence to prescribed Council strategies (e.g. Treasury Management) and any statutory provisions relating to a Council's use of assets. However, the operation of the Policy is expected to provide for medium-term support to the Council's revenue budget.

**Recommendation(s):**

The Cabinet:

1. approves the:
  - i. Disposal and Acquisitions Policy; including the new monetary thresholds.
  - ii. creation of the Treasury and Capital Management Group.



2. recommends to the Corporate Governance Panel that it approves all required changes to the Constitution (including the Code of Financial Management) to reflect the requirements of the Disposal and Acquisitions Policy.

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## **1. WHAT IS THIS REPORT ABOUT?**

- 1.1 Seeking approval for a new Disposal and Acquisition Policy: Land and Buildings (Appendix 1), and associated governance arrangements that will allow the Council to undertake, in a more efficient, effective and agile way, the disposal and acquisition of land and buildings in support of the Councils Treasury Management and Investment Strategies.

## **2. BACKGROUND**

- 2.1 Members will recall, as reported to Council in February 2015, that over the medium term the Council faces considerable “revenue” financial challenges. Currently the Medium Term Financial Strategy is showing a revenue gap of £2.4m by 2019/20. However, as shown on the “Plan on a Page” (Appendix 2) if, as the Council is aiming to do, it removes its reliance on New Homes Bonus, the funding gap will increase to £8.2m.
- 2.2 The “Plan on a Page” also shows that the Council has in train a number of core business activities that will assist in bridging the funding gap. As well as alternative service delivery models and budget change programmes, the “Plan on a Page” recognises that income generation is one of those core business activities.
- 2.3 One of the main components of “income generation” will be the “Commercial Investment Strategy” (CIS); a draft of this is expected to be reported to members in July 2015. The aim of the CIA will be for the Council to invest in a wider portfolio of commercial type properties than it currently has to provide a long-term revenue stream. To enable this activity to be undertaken it is essential that the Council has in place a decision-making process that is appropriately agile that will support the disposal and acquisition of assets. Consequently, the Policy will include new procedures, monetary thresholds and governance arrangements.

## **3. SUMMARY PROPOSALS WITHIN THE POLICY**

### **Disposals Policy**

- 3.1 The aim of the disposals Policy is to ensure that the Councils current asset portfolio is disposed of in the most cost effective way possible; thereby ensuring that the best return is achieved. The main requirements of the disposal policy include:
- Land and property will only be declared surplus if it no longer meets corporate and/or investment priorities.
  - Land and property will only be disposed of when it is concluded that no other use can be made of the asset, within statutory provisions.
  - Land and property will be sold for the best consideration or where disposal by other means best meets corporate objectives.

## Acquisition Policy

3.2 The aim of the acquisition Policy is to ensure that the Council only adds to its current asset portfolio for specific purposes; namely Service delivery, investment and future development in line with objectives and the Corporate Plan. The main requirements of the acquisition policy include:

- All acquisitions of land and property will be in respect of freehold, leasehold or licence.
- Land and property will only be acquired where it benefits service delivery and/or maximises investment opportunities and/or future strategic development.

## Thresholds

3.3 As noted within the Constitution, the current thresholds for the disposal and acquisition of assets are:

- Up to £50,000, the Managing Director may grant/assign leases; approve variation in leases or their surrender and approve sub-lettings, restrictive covenants, grant licences, easements and way leaves etc.
- Approval of Corporate Management Team for all disposals and acquisitions between £50,000 and £200,000
- Approval by Cabinet for all disposals and acquisitions in excess of £200,000, for recommendation to Council as a “key decision”.

3.4 It is considered that the above thresholds will not give the Council the required agility needed for it to effectively operate within the commercial asset environment; this is primarily due to the length of time required for reports to pass through to Cabinet. Disposal and Acquisition decisions, although “not made overnight” will need to be made relatively quickly to enable the Council to maximise receipts or take advantage of assets that are for sale. Therefore, it is proposed that the thresholds noted in Table 1 are adopted.

<b>Table 1</b>	<b>New Thresholds of the Disposal and Acquisition of Land and Buildings</b>
£0 - £500,000	Managing Director (as Head of Paid Service) & Head of Resources (as Section 151 Officer), following consultation with Executive Councillor for Resources
£500,000 to £2,000,000	Treasury and Capital Management Group (TCMG)
£2,000,000 +	Cabinet

## Governance

3.5 The thresholds proposed in paragraph 3.4 are a considerable change to those currently included within the Constitution. However, there will be tight governance around these new thresholds, this is illustrated below:

- Up to £500,000, these will be officer lead decisions. However, the officers concerned will be those at the strategic level within the Council. In addition, all decisions will only be made following consultation with the relevant Executive Councillor.
- Between £500,000 and £2,000,000, decisions will be made by the Treasury and Capital Management Group (TCMG). TCMG is not currently constituted as one of the Council's member decision-making committees, but it is intended that it will be when the review of the Constitution is completed. Key aspects of TCMG are that:
  - It will be a sub-committee of Cabinet.
  - It will have powers to make decisions in respect of both Treasury and Capital Asset Management.
  - Core members of the group will be the Executive Leader, Deputy Leader and the Executive Councillor for Resources, with co-opted as required by the Core members.
  - Officer support will be the Managing Director and the Head of Resources.
- In excess of £2,000,000 decisions will be made by Cabinet.

#### **4. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

- 4.1 To be completed after Overview & Scrutiny (Economic Well-Being) – 4<sup>th</sup> June 2014.

#### **5. KEY IMPACTS/RISKS?**

- 5.1 The key impact of the introduction of the Policy will be to allow the Council to be more agile in its decision making around the disposal and acquisition of land and buildings. In this way it will be able to react more quickly to opportunities that arise. All investment decisions will be subject to appropriate business cases and where necessary due diligence.

The risk of not having a more agile decision making process is that the Council may lose investment opportunities. This could mean that the Council's ability to meet the current gap in the revenue budget will be curtailed; and therefore any gap could have to be met from cuts in services.

#### **6. LINK TO THE CORPORATE PLAN**

- 6.1 The Policy will support the achievement of the Corporate Plan requirement of "Ensuring we are a customer focused and service led council" by "becoming more business-like and efficient in the way we deliver services".

#### **7. CONSULTATION**

- 7.1 None

#### **8. LEGAL IMPLICATIONS**

- 8.1 This policy will impact upon the current Constitution. A review of the Constitution is imminent and therefore consideration to this policy must be given and amendments to the Constitution made as necessary.

8.2 References to Acquisitions and Disposals within the Code of Procurement will need to either be reviewed or removed.

## **9. RESOURCE IMPLICATIONS**

9.1 The Policy itself will not have any direct resource implications. However, the operation of the Policy:

- will require adherence to prescribed Council strategies (e.g. Treasury Management) and any statutory provisions relating to a Council's use of assets.
- is expected to assist the Council in bridging the revenue funding gap as detailed within the Council's Medium Term Financial Strategy.

## **10 REASONS FOR THE RECOMMENDED DECISIONS**

10.1 To put in place a "fit for purpose" approach to the disposal and acquisition of land and buildings that will support the Council's Investment Strategy. This will then in turn assist the Council in generating additional revenue income through the development of a commercial asset portfolio.

## **11. LIST OF APPENDICES INCLUDED**

Appendix 1 – Disposal and Acquisition Policy.  
Appendix 2 – Plan on a Page.

## **BACKGROUND PAPERS**

Held with Resources

## **CONTACT OFFICER**

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# Huntingdonshire District Council

# DISPOSAL AND ACQUISITION

## Policy 2015

Date Approved: xx/xx/2015

Review Date: xx/xx/2017

Version 10.2

## **Definition**

The Council defines the “disposal and acquisition” of land and property as the means by which it can either disinvest and dispose of land and property that it considers are surplus to its service or investments needs or invest in land and property that will allow the Council to benefit from service efficiency or investment opportunities.

## **Risk management**

All activity relating to land and property will be undertaken within an environment that minimises risk to both services and the capital, or revenue, investment that is made. This includes impacts on reputation. There will be appropriate reporting to ensure that all parties are aware of the risk that is being faced by any disposals or acquisitions.

## **Value for Money**

Value for Money is at the heart of how the Council delivers its services; regardless of whether these are front-line or back-office. In respect of the management of land and property, the Council will develop an Asset Management Plan that will ensure that the Council is only holding to an optimum balance of assets to meet both its service and investment requirements.

## **Disposals Policy**

- Land and property will only be determined as surplus if it no longer meets corporate and/or investment priorities.
- Land and property will only be disposed when it is concluded that no other use can be made of the asset, within statutory provisions. There are two distinct processes relating to:
  - Medium to large areas of land, their disposal is dependent on public benefit and corporate aims and objectives.
  - Small areas of open space, their disposal is dealt with through the “Sales of Small Areas of Land Policy and Procedures”.
- Prior to sale, partners of the Council will be contacted to determine if there is an alternative use for the land and property.
- Subject to legislative requirements, the Council will sell any surplus land and property for the best consideration, where this is not possible or where corporate objectives are not being met, appropriate activity will be undertaken to ensure that the Councils maximises any capital receipts.
- Surplus land will be disposed of as expeditiously as possible and follow appropriate methods of disposal.



## **Public Engagement Considerations**

- The Council's communication team will be consulted to ensure that any disposal of land and buildings is undertaken in a proportionate way.
- Consideration will be given to the statutory requirements of the Local Government Act 1972 and the Town and County Planning Act 1990

## **Performance Management**

Capital Receipts targets will be assessed annually and progress will be reported to the Corporate Management Team and Cabinet as part of the routine budget monitoring cycle.

## **Acquisitions Policy**

- All acquisitions of land and property are in respect of freehold, leasehold or licence.
- Land and property will only be acquired where it benefits service delivery and/or maximises investment opportunities and/or future strategic development, subject to meeting strict criteria; such as, need for asset to meet service delivery levels, option appraisal, on-going revenue costs are appropriately budgeted for, tenure is determined and VAT considerations (especially Opt to Tax).

## **Powers to Acquire Land and Buildings**

The acquisition of land and buildings is enshrined within the requirements of the Local Government Act 1972 and to invest within the requirements of the Local Government Act 2003.

## **Performance Management**

There will be ongoing monitoring of acquisitions between the responsible officers and the parties selling or otherwise concerned with the acquisition. There will be appropriate reporting to Corporate Management Team where performance is in question.

## **Overarching Policy**

All valuations of land will be undertaken by suitably qualified professionals.

VAT implications will always be considered.

## **Resources**

The resource implications, including Legal, Finance and Procurement will be considered for every disposal or acquisition of land and buildings and the both members and officers will be required to comply with the pertinent requirements of both the Code of Procurement and the Code of Financial Management. The financial thresholds for both disposals and acquisitions are as follows:

£0 - £500,000	Managing Director (as Head of Paid Service) & Head of Resources (as Section 151 Officer), following consultation with Executive Councillor for Resources
£500,000 to £2,000,000	Treasury and Capital Management Group
£2,000,000 +	Cabinet

## **Governance**

The Council will have regard to all statutory and local regulations, including reporting to Corporate Management Team and in line with the Constitution, including the Treasury and Capital Management Group.

.....

**VISION**

To improve the quality of life for the people of Huntingdonshire and work towards sustainable economic growth whilst providing value for money services

**STRATEGIC PRIORITIES**

A strong local economy

Enabling sustainable growth

Working with our communities

Ensuring we are customer focused and service led council

**CURRENT SERVICES**

Customer Service Strategy / Service Standards

Lean

Shared Services

Zero Basing

Income Generation

Facing the Future

CLICK arrow for details

CLICK arrow for details

CLICK arrow for details

CLICK arrow for details

CLICK arrow for details

CLICK arrow for details

**FINANCIAL**

Financial ambitions

To reduce the Council's reliance on Central Government Funding and in so doing create a sustainable financial platform

Approved MTFs

% cut from MTFs

Modified budget

	2015/16	2016/17	2017/18	2018/19	2019/20
Approved MTFs	£18.881m	£19.870m	£20.671m	£21.259m	£21.721m
% cut from MTFs	0% (-£0m)	19.2% (-£3.8m)	28.6% (-£5.9m)	35.1% (-£7.5m)	37.6% (-£8.2m)
Modified budget	£18.881m	£16.059m	£14.750m	£13.805m	£13.553m

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**CURRENT ACTIVITIES**

STUDY	OBJECTIVES	PANEL	STATUS
Delivery of Advisory Services Across the District	<p>To monitor the performance of the voluntary organisations awarded grant aid by the Council in 2013 – 2015.</p> <p>To discuss funding arrangements for the final year of the Voluntary sector agreements.</p>	Social Well-Being	Annual performance report considered by Panel in June 2014.
Housing and Council Tax Benefit Changes and the Potential Impact Upon Huntingdonshire	To monitor the effect of Government changes to the Housing Benefit System arising from the Welfare Reform Act.	Social Well-Being	The Panel received the latest six-monthly report on the effect of the Government's Welfare Reform programme and how it impacts on households in Huntingdonshire. Further updates only to be provided when circumstances require it.
Flood Prevention within the District	To investigate flood prevention arrangements in the District and the impact of flooding on associated local policy developments.	Environmental Well-Being	Representatives from the Environment Agency delivered a presentation on flood risk management within Huntingdonshire. A scoping report was considered by the Panel in April 2014 and a Working Group was appointed. The Chief Executive and Clerk to the Middle Level Commissioners delivered a presentation to the Panel's June 2014 meeting to outline their role with flood alleviation in the District. A meeting of the Working Group was held on 25th March 2015 at which Members considered the draft Cambridgeshire Flooding and Water SPD.
Waste Collection Policies	To assist the Head of Operations and Executive Member for Operations & Environment with reviewing waste collection policies in relation to the collection points for wheeled bins/sacks and remote properties (farms and lodges).	Environmental Well-Being	First meeting of Working Group held on 24th June 2014. Further meeting to be arranged to consider the outcome of the survey work being undertaken by the Operations Division on affected properties and various other matters.

Litter Policies and Practices (to include graffiti removal)	To consider and make recommendations on future litter and graffiti service scope and standards and on public appetite for changes.	Environmental Well-Being	Scoping report received. Working Group appointed.
Affordable Housing	To make recommendations for the next Housing Strategy 2016-19 by considering and making recommendations on ways to deliver affordable housing, including through the rural and enabled exceptions policy of the Local Plan and through the Community Land Trust.	Social Well-Being	<p>A Working Group meeting was held on 16th March 2015. Government changes affecting the supply of new affordable housing and the Elphick-House Report were reviewed.</p> <p>Next meeting to be held to scrutinise:</p> <ul style="list-style-type: none"> <li>• The housing register</li> <li>• Statistics on homelessness</li> <li>• Housing Need</li> <li>• Bands of people on the register</li> </ul> <p>The Working Group is seeking a member from each of the Economic and Environmental Panels to join the Working Group.</p>
The Health Economy	To establish priorities for future work on the local health economy.	Social Well-Being	<p>Scoping paper considered. Further reports requested on:</p> <ul style="list-style-type: none"> <li>• on the current state of Neighbourhood Planning within the Council and how it was likely to develop and how it might promote community resilience;</li> <li>• on community engagement, including examples of good practice;</li> <li>• on the impact of Welfare Reforms, including fuel poverty and how it was defined;</li> <li>• reviewing the Council's Equalities Impact Assessment arrangements, and</li> <li>• on the impact of growth on GP surgeries, school places and hospital capacity.</li> </ul>

## Progress Report

<u>Panel Date</u>	<u>Decision</u>	<u>Response</u>	<u>Date for future action</u>
	<p><b><u>Scrutiny of Partnerships</u></b></p> <p>The Panel has received two presentations on the Local Enterprise Partnership. A presentation on the Local Enterprise Zone was given to the Panel's meeting in November 2011.</p>	<p>The Panel has invited the Chairman and the Chief Executive of the Local Enterprise Partnership to a future meeting to give a presentation on their business plan. The Panel will pursue this request with the new Chief Executive on their appointment after the Council's Budget setting process.</p>	<p><b>3/09/15</b></p>
<p><b>05/07/13</b></p>	<p><b><u>Economic Development</u></b></p> <p>The Huntingdonshire Economic Growth Plan 2013 to 23 was considered by the Panel. The Economic Development Manager was asked to give a further update on the marketing and implementation plans in due course.</p>	<p>An update on the Economic Growth Plan will be given to the Panel.</p>	<p><b>4/06/15</b></p>
	<p>Presentation requested on 'Preparing Town Centres and High Streets for the 21st Century'</p>	<p>Presentation will be given to the Panel's meeting in March / April.</p>	<p><b>09/04/15</b></p>
<p><b>06/11/14</b></p>	<p>The SEP 2 LEP Executive Summary Submission to Government was presented. The Panel requested a further update following the announcement of the outcome of the bidding process for Growth Deal Round 2 projects.</p>	<p><b>Outcome of bid to be submitted to the Panel.</b></p>	<p><b>TBC</b></p>

## Progress Report

<u>Panel Date</u>	<u>Decision</u>	<u>Response</u>	<u>Date for future action</u>
<b>12/06/14</b>	<p><b><u>Project Management</u></b> Reiterated a request for the post project appraisals for the development of the Huntingdon multi-storey car park and One Leisure, St Ives.</p>	<p>A project closure report for the Huntingdon Multi-Storey Car Park and One Leisure St Ives was presented to the Panel's November meeting.</p>	<b>06/11/14</b>
<b>10/07/14</b>	<p>With a view to undertaking a review of the Project Management Arrangements within the Authority, the Panel has been updated on the progress which has been made by the Council's Project Management Board to improve the project management arrangements within the Authority.</p>		
<b>06/11/14</b>	<p>The Panel agreed to establish a Project Management Select Committee in February 2015 to give further consideration to the issue of project management within the Authority. It is envisaged that the Select Committee will report its findings to the full Council in April 2015.</p>		<b>08/01/14</b>
		<p>Select Committee held. Report to be submitted to the Panel.</p>	<b>9/04/15</b>
<b>10/07/14</b>	<p><b><u>Great Fen</u></b> Noted that Councillor P G Mitchell had been appointed to the Great Fen Project Steering Committee. Report on the Project to a future meeting.</p> <p>Councillor Mitchell provided the Panel with an update.</p> <p>Suggested the Panel should see the Business Plan. Members alerted to a potential future bill from the Internal Drainage Board.</p>		<b>TBC</b>



## Progress Report

<u>Panel Date</u>	<u>Decision</u>	<u>Response</u>	<u>Date for future action</u>
<b>5/02/15</b>	<b><u>Budget Working Group</u></b> Working Group established comprising Councillors I D Gardener, T Hayward, P D Reeve and M F Shellens to look into a selection of lines in the budget to examine how they had been constructed and to report back.		
<b>5/03/15</b>	<b><u>Investment Strategy</u></b> Panel to hold early discussions on the terms of the strategy prior to its publication as a draft.	Workshop to be held.	<b>9/04/15</b>

**ACTION LOG**  
(Requests for information/other actions other than those covered within the Progress Report)

<u>Date of Request</u>	<u>Description</u>	<u>Response</u>
<b>04/09/14</b>	Huntingdon West Masterplan to be circulated. Panel Members will also receive an invitation to attend the Overview and Scrutiny Panel (Environmental Well-Being) when this is discussed.	
<b>04/09/14</b>	Councillor M F Shellens requested a copy of the Huntingdonshire Infrastructure Business Plan in due course. Panel Members will also receive an invitation to attend the Overview and Scrutiny Panel (Environmental Well-Being) when this is discussed.	The Huntingdonshire Infrastructure Business Plan is expected to emerge in June 2015.

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## Decision Digest

Edition 155

**Monthly summary of the decisions taken at meetings of the Cabinet, Overview & Scrutiny and other Panels for the period 25th March to 28th April 2015.**

### **EXTERNAL AUDIT PLAN 2014/15**

The content of the draft External Audit Plan for 2014/15 has been noted by the Corporate Governance Panel. Key audit risk areas for the year were identified and the approach undertaken to complete these audits was highlighted. The plan also took account of the zero based budgeting exercise for expenditure that the Authority has undertaken. The Panel's views on fraud and the triviality threshold of £90,000 were sought by the External Auditors. It was noted that the external audit function was to transfer to Ernst and Young from 2015/16, initially for two years.

### **EXTERNAL AUDIT GRANT CERTIFICATION 2013/14**

The External Auditor's Grant Certification report 2013/14 has been noted by the Corporate Governance Panel. During 2013/14, the Council received significant central government grant for Housing Benefits and part of the control framework for such grants is that they are subject to external audit. During the audit some minor errors were identified resulting in the requirement for additional testing. The Panel expressed their concerns again as the rules issued for auditing benefit claims were too rigid meaning minor errors identified during sampling had significant cost implications for an authority.

### **EXTERNAL AUDITORS: ISA 260 REPORT - 2013/14: IMPLEMENTATION OF RECOMMENDATIONS**

The Corporate Governance Panel has noted the External Audit's ISA 260 report which is required to be issued following the external audit of the Annual Financial Report. The report made four recommendations in respect of the Annual Financial Report and the Panel were informed of the progress with implementing the recommendations. The External Auditors would undertake a review of all recommendations and report back to the Panel in September 2015.

### **FRAUD TEAM UPDATE**

Having fulfilled its objectives and Terms of Reference, the Corporate Governance Panel has approved to disband the Fraud Working Group. The Cabinet previously endorsed the findings of the Corporate Governance Panel to retain an in-house Fraud Team and good progress was being made. The Council was likely to have an operational Fraud Team prepared for the transfer of responsibility of welfare fraud investigation to the Department for Work and Pensions in May 2015.

The Corporate Governance Panel agreed that a new Fraud Working Group should feature as an item on the Corporate Governance Panel's Progress Report, to enable the Panel to consider whether they wished to establish a new Fraud Working Group, and if so, to determine the Terms of Reference, once the in-house Fraud Team was operational.

### **CODE OF FINANCIAL MANAGEMENT AND CODE OF PROCUREMENT UPDATE FOR 2015/16**

The Corporate Governance Panel considered the Code of Financial Management and the Code of Procurement. The documents are reviewed on an annual basis to ensure that they reflect current legislation and the changing needs of the Council, as the policies underpin financial governance in the Council and are Annexes to the Council's Constitution. Having made amendments specifically to the Code of Financial Management, the Corporate Governance Panel has recommended the policies to Council for adoption.

### **ACCOUNTING POLICIES FOR THE ANNUAL FINANCIAL REPORT 2014/15**

The Corporate Governance Panel was apprised of the outcome of the annual review of accounting policies applied by the authority when producing the Annual Financial Report. Three policies require amendment of which two are considered significant. However, none have an impact on the Council's general fund balance. The amendments were for clarification, transparency and to ensure compliance with International Financial Reporting Standards (IFRS) accounting arrangements. The Corporate Governance Panel has approved the amendments to the accounting policies noted within the Annex to the report.

### **INTERNAL AUDIT SERVICE: INTERNAL ANNUAL PLAN**

Under the requirements of the Public Sector Internal Audit Standards, the Corporate Governance Panel were apprised of the Internal Audit and Risk Manager's opinion on the overall adequacy and effectiveness of the Council's internal control and governance processes.

Internal audit resources were currently insufficient to deliver the annual audit plan owing to a vacant post held within the team since October 2014. Efforts to recruit to the post had proved unsuccessful. However, it was expected that the vacant post would be filled during the year. The Corporate Governance Panel has approved the Internal Audit Plan 2015/16.

### **PROGRESS ON ISSUES ARISING FROM THE 2013/14 ANNUAL GOVERNANCE STATEMENT**

The Corporate Governance Panel were apprised of and noted the progress made to date in respect of the four areas for improvement identified in the 2013/14 Annual Governance Statement. Good progress had been made across all four improvement areas and it was considered that all would be achieved prior to the preparation of the 2014/15 Annual Governance Statement.

### **IMPLEMENTATION OF AUDIT ACTIONS**

A report outlining performance in implementing agreed internal audit actions for the year ending 28th February 2015 has been presented to the Corporate Governance Panel. Eight actions have not been introduced of which two are red actions and six are amber actions. The Panel were informed that despite the targets not being achieved, performance continued to improve month on month.

The Panel have expressed concern and disappointment at the number of agreed internal audit actions that have not been implemented and resolved to call to account the Heads of Service to meetings of the Panel in order that they provide an explanation as to why the audit actions remain outstanding.

The Chief Finance Officer will be presenting a report to the next meeting

regarding the management of monitoring and implementing internal audit actions, which the Panel have welcomed.

The Panel have also indicated its concern at the loss of data within the Audit Action e-database following a software transfer and the resulting officer time this has incurred. The Panel requested that the Internal Audit and Risk Manager and IMD Operations Manager provide a report to the next meeting of the Panel on the current situation, remedies to resolve the issues and prevention of a future re-occurrence.

### HEALTHWATCH UPDATE

Ruth Rogers, Chairman of Healthwatch Cambridgeshire addressed the Overview and Scrutiny Panel (Social Well-Being) to provide an update on its activities.

The Panel previously received a presentation two years ago when Healthwatch Cambridgeshire had recently been inaugurated and without a full complement of staff.

The role of Healthwatch Cambridgeshire was to ensure public voices are heard in all aspects of health and social care.

Healthwatch Cambridgeshire had played a significant role prior to the Care Quality Commission audit of Hinchingbrooke Hospital as it had facilitated public comments and complaints regarding Hinchingbrooke Hospital. These have included many positive views as well as negative. Overall a balanced view about the hospital and what could be improved was received.

The Chairman of Healthwatch had attended a meeting with the new Chairman and the two new Non-Executive Members for Hinchingbrooke Healthcare NHS Trust and had felt a strong commitment from the Board. It was noted that more Non-Executive Members are to be recruited.

It was noted that mental health service is problematic within Cambridgeshire and a local charity called 'Pinpoint' had assisted with the collection of evidence regarding problems faced by parents in the diagnosis and provision of care, especially for children with additional needs and disabilities. Healthwatch Cambridgeshire has been able to escalate these issues to Healthwatch England for national recognition.

Accessing GP appointments is a growing issue and it is NHS England that is the responsible authority for this matter. A lack of funding is a key issue in addressing this problem. The type of funding accessible when the new GP surgery in Cambourne was established was no longer available.

Healthwatch Cambridgeshire encouraged people to contact them with any concerns, compliments or complaints they had. District Councillors played an important role as they received contributions from constituents.

### CLOSER WORKING WITH THE POLICE

The Panel has received a presentation from Chief Inspector Laura Hunt to inform the Panel on:

- ◆ Policing Priorities;
- ◆ Vision within Huntingdonshire for 2015/16;
- ◆ Control Strategy Priorities;
- ◆ Similarities between the Community Safety Priorities and Huntingdonshire District Council Corporate Plan.

The priorities for Huntingdonshire Police are:

- ◆ Responding to community concern;
- ◆ Investigating crime; protecting the vulnerable;

- ◆ Staff professionalism; and
- ◆ Keeping people safe.

There is now less focus on numbers and more on value-based outcomes and an explanation was provided on how the priorities are being achieved.

The Huntingdonshire Police Vision for 2015/16 is to be supporting, empowering and belonging. Putting the person at the heart of all that the Police do and aiming for a seamless service.

Special Constables are slowly being recruited and those that have completed the required number of hours each month, along with Police Community Support Officers, are issued with handheld devices to reduce the need to work out of the station and therefore create a greater street presence.

The Panel were informed that the Police previously had control strategy priorities such as dwelling burglaries and anti-social behaviour. These matters are still a priority but the following are now significant emerging issues:

- ◆ Cyber-crime;
- ◆ Modern-day slavery; and
- ◆ Child sexual exploitation.

Common ground and shared objectives exists between the Huntingdonshire Police priorities and Huntingdonshire District Council Corporate Plan.

The Chief Inspector wants a continued and meaningful dialogue with the Councillors and has enquired how best to achieve this. The Panel has noted that the Council has a Community Safety Partnership. However, the Chief Inspector has stated that there is no longer continued Councillor representation at the meeting and the issues considered are operational issues. The Panel's responsibility is a challenging role and therefore more appropriate to strategic issues.

The Panel agreed for the Managing Director and the Chief Inspector to meet to discuss the way forward regarding continued dialogue between District Councillors and the Police. One potential option has been suggested to have the Chief Inspector regularly attend and present to the Overview and Scrutiny Panel (Social Well-Being).

Concern was expressed by the Panel at the length of time calls to 101 were answered. The average current wait time for 101 calls to be answered was seven to eight minutes. However, it could be considerably longer.

It has been emphasised that depending on the crime experienced in a particular area will determine the weekly priorities for that area. An example was provided whereby there had been a number of tool thefts from vehicles in the Yaxley area over the previous week, which will therefore feature as a priority for that area.

Crimes such as child sexual exploitation or matters concerning vulnerable people are often complex the Panel has been made aware that any concerns can be reported via any methods, such as emailing the Chief Inspector, eCops or Crimestoppers.

### **PREPARING TOWN CENTRES AND HIGH STREETS FOR THE 21ST CENTURY**

The Overview and Scrutiny Panel (Economic Well-Being) Panel received a presentation from Mr W Grimsey on the subject of "Preparing Town Centres and High Streets for the 21st Century".

With less need for retailers in town centres, Mr Grimsey suggested that towns should consider other ways of attracting people in. This could be through offering a 'unique selling point' such as history or heritage or through

developing the towns as a 'community hub', with more residential property and health and education services provided in the centre.

Mr Grimsey was unable to give answers to specific questions about Huntingdonshire or our local towns and villages but encouraged each place to think about their area and consider having their own plans to provide an offer that would bring people in.

### REVIEW OF PLANNING ENFORCEMENT

The Overview and Scrutiny Panel (Environmental Well-Being) received an update on Planning Enforcement and were informed that a more detailed review of the service will be completed for discussion at a future meeting in July or September 2015.

Members commented that complaints are still being received from Parish Councils regarding Planning Enforcement and this may be due to misunderstandings regarding the limitations of enforcement powers. The Panel were informed that work on the review must manage expectations of Parish Councils and be transparent regarding what can and cannot be achieved.

Members of the Panel requested clarification on timescales; it was noted that timescales often depend on the severity of the breach.

The Panel were informed that Planning Enforcement's discretionary powers are proportionate to any breach and any action is expedient and not based on costs or income.

Members questioned the fee regime utilised by Planning Enforcement and queried whether the Council could charge more for retrospective planning applications; whilst this has been

considered by Government, retrospective fees remain the same as standard application fees.

### HUNTINGDONSHIRE LOCAL PLAN TO 2036: POSITION STATEMENT

The Overview and Scrutiny Panel (Environmental Well-Being) received an update on the current position in relation to the preparation of the Huntingdonshire Local Plan to 2036. The Executive Councillor for Strategic Planning and Housing informed Members that a good response was received to the eight week consultation and that a more detailed report will be completed for the June/July Cabinet in 2015.

Members of the Panel were informed that the comments collated during the consultation will be analysed and details of the respondents will be made available. It was noted that a variety of Stakeholders responded to the consultation, including the Environment Agency, the Highways Agency, landowners and Town and Parish Councils. Details of the respondents to the consultation will be published on the Council's website.

Concern was expressed regarding timescales and the Panel was informed that the Local Plan is still expected to be submitted to the Government Inspector by the end of 2015. The Local Plan will be submitted to the Members of Council at the adoption stage.

Concerns were also raised by the Panel relating to the clarity of changes to the Local Plan and the level of printing. The Executive Councillor for Strategy, Planning and Housing endorsed the suggestion that any further changes are printed as a supplement to the existing document or any changes be clearly highlighted.

**NEIGHBOURHOOD PLANNING**

The Overview and Scrutiny Panel (Environmental Well-Being) received an update on the current position in relation to the preparation of the Neighbourhood Development Plans for Huntingdonshire.

Members were informed that the District Council has a duty to support Town and Parish Councils in a range of technical aspects of preparing and processing Neighbourhood Development Plans, for which it receives government funding. Neighbourhood Development Plans need to be prepared in conformity with the strategic policies of the local planning authority's Development Plan. However, the main principle is that the parish or town Council is the promotor and owner of the plan and takes responsibility for co-ordinating its preparation from beginning to end.

It was noted by the Panel that the Council's draft Corporate Plan for 2015/16 includes a 'Key Action' that the Council will set out community planning offers and support community planning, working with Parishes to complete Neighbourhood and Parish Plans.

**CAPITAL PROGRAMME 2015/16**

The Overview and Scrutiny Panel (Economic Well-Being) considered a report by the Head of Operations on the proposed 2015/16 Capital Programme.

Members expressed interest in seeing more detail on the proposed capital scoring system which the Finance Governance Board had used to assess the proposals, details of which will be provided via email. The Head of Resources confirmed that this scoring system was based on methodology from The Chartered Institute of Public Finance and Accountancy (CIPFA).

The Cabinet has considered and approved the Capital Programme for

2015/2016, having been reviewed by the Finance Governance Board.

The bids submitted totalled £11.065m and the Finance Governance Board has recommended that £9.637m be approved. The 2016/2017 approved budget includes a Minimum Revenue Provision (MRP) of £1.905m and the recommended Capital Programme has reduced the amount to £1.776m. Therefore creating a budget saving.

There is a review scheduled of the constitution and financial governance provisions where it is to be proposed that a Member-led Treasury and Capital Management Group be established. In addition to approving the Capital Programme the Cabinet has agreed that until the Treasury and Capital Management Group is established that all business cases should be agreed by the relevant Executive Councillor prior to submission to the Finance Governance Board.

**PROJECT MANAGEMENT SELECT COMMITTEE**

The Overview and Scrutiny Panel (Economic Well-Being) has considered the outcome of the Project Management Select Committee. The Select Committee was held in February 2015 and looked back at past projects, including the Huntingdon Multi-Storey Car Park and the redevelopment of One Leisure St. Ives. Members were given a range of information on how projects will now be managed and access to details of current and past projects.

The Panel received and noted a report on the findings and recommendations of the Select Committee, which were submitted to the Cabinet. It was agreed that the report reflects the actions and conclusions from the session held on 17<sup>th</sup> February 2015.



The Cabinet has received a report to present the findings of the Project Management Select Committee and has agreed the recommendations contained within the report regarding how project management could be further improved.

The Cabinet has commended the work of the Project Management Select Committee and the Overview and Scrutiny Panel (Economic Well-Being).

## **CORPORATE PLAN 2015/2016**

The Cabinet has recommended the updated Corporate Plan for 2015/2016 to Council for adoption.

Following the introduction of the Corporate Plan in 2014 there has been some confusion about the meaning of Strategic Themes, Outcomes and Priorities contained within the Plan. The content of the 2015/2016 Corporate Plan is broadly similar to the original version and minor amendments have been suggested.

The Cabinet were pleased to note that those surveyed via the Halifax Report ranked Huntingdon as the ninth best place to live in the country and the improvement compared to four years previously where Huntingdon was ranked 64th.

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